

# **FMM 9200**

## **Accounting**

### **This is a Draft Document.**

The contents of this document were created using the most current electronic versions of the NASA Financial Management Manual.

The contents of this document have not been verified and approved by Headquarters.



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## **FMM 9210 ACCOUNTING, PRINCIPLES**

### **9211-1 PURPOSE AND SCOPE**

- a. This chapter sets forth the general requirements of the NASA accounting system and the accounting records and controls prescribed by the Director, Financial Management Division, NASA Headquarters. The Director, Financial Management Division, and the Financial Management Officer of each NASA Installation have the responsibility for establishing and maintaining financial records in accordance with generally accepted accounting principles and standards and prescribed regulatory and statutory requirements.
- b. FMM 9200 promulgates the procedures to be followed with respect to the various interrelated segments of the integrated accounting system. Specifically, it sets forth the uniform system of general ledger control accounts to be maintained and recorded in the system, the requirements and procedures of allotment accounting, cost accounting, and property accounting systems, and the requirements relative to revenue accounting transactions. It also includes instructions relative to miscellaneous accounting procedures such as letters of credit, fiscal yearend accounting and reporting requirements, carrier account procedures, authorization and appropriation act provisions, and accounting for cooperative agreements funded by trust fund deposits.

### **9211-2 AUTHORITY**

The requirements and procedures set forth in FMM 9200 have been developed to implement the policies and objectives of financial accounting (see FMM 9010), and are in accordance with General Accounting Office principles and standards of other regulatory and statutory requirements.

### **9211-3 GENERAL LEDGER CONTROLS**

The NASA accounting system requires general ledger controls to be maintained over all assets, liabilities, funds, equities, revenues, and costs through the use of a double entry accounting system utilizing in FMM 9220. General Ledger accounts will be grouped and subsidiary records will be maintained to provide the accounting detail necessary to properly record transactions and to prepare timely and meaningful financial statements and reports for all management levels and external sources.



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## **9211-4 FINANCIAL CONTROL AND RECORDING OF ASSETS**

Assets will be controlled and recorded as an integral part of an accounting system. Supplies and materials will be recorded based on information provided by the Supply and Equipment Management Officer who is responsible for inventory management and reporting. Capitalized equipment and real property will be recorded at the detail item level, thus providing independent financial control. Reconciliation of capitalized equipment and real property detail records with the supply and equipment management records, and the real property records will be done on a periodic basis as prescribed in FMM 9250. Financial Management Officers and Supply and Equipment Management Officers/Real Property Officers are jointly responsible for reconciling capitalized equipment and real property records and reporting the mutually agreed to values.

## **9211-5 ALLOTMENT CONTROLS**

Administrative controls will be established, in accordance with NMI 9050.3\_, to prevent commitments and obligations from exceeding amounts allotted. Such administrative controls will include appropriate procedures for certification of funds availability prior to obligation. Accounting records will provide a basis for determining that funds are available for incurring commitments or obligations, and to ensure that expenditures are not in excess of allotments.

## **9211-6 MECHANIZATION OF THE ACCOUNTING AND REPORTING SYSTEM**

Accounting systems, whether manual or mechanized, are subject to approval by the Comptroller General of the United States, and should conform to prescribed GAO principles, standards, and related requirements. The use of automated data processing (ADP) methods to facilitate the processing of accounting transactions and to enhance the recording and reporting capabilities of financial management is encouraged, provided that such operations result in economy and efficiency, and conform to generally accepted accounting, audit, and internal control principles and standards.

## **9211-7 BASIC GUIDELINES FOR ADP ACCOUNTING SYSTEMS**

- a. Adequate control over the validity and accuracy of accounting data input is of the utmost importance. Provisions will be made for verification and acceptance of data input to mechanized systems by the inclusion of automated edit routines. Data which are not subject to machine editing routines will be verified by other means, (e.g., key or visual verification) to assure its accuracy. Control totals will be used to provide a means of checking the accuracy of the data processed. The extent of such controls varies with the type of application and must, therefore, be considered on a case-by-case basis.



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- b. ADP systems must include such capabilities as master file listings, master file update listings (daily, monthly, yearly), error listings, detail program processing specifications, and status reporting (year-to-date and inception-to-date).
- c. Financial Management Officers will establish backup computer capability to provide for the continuation of operation in cases of primary computer operational problems. Systems capability will be developed to reconstruct master files and detail update files whenever system failures destroy operational files.
- d. ADP accounting records, printouts, and tapes, will be retained in a manner supportive of internal audit and General Accounting Office audit requirements (see FMM 9660). Pertinent documents and files will be disposed of in accordance with Part 101-11.404-2, General Services Administration Federal Property Management Regulations.

## **9211-8 NASA ACCOUNTING ENTITIES**

- a. In the NASA accounting and reporting system, each Installation for which a separate Agency Location Code (ALC) and/or a separate Accounting Installation Number (AIN) have been assigned is considered an accounting entity. An Accounting Installation Number has been assigned to each accounting entity by NASA Headquarters for use in Agencywide accounting and reporting systems. The two-digit code is a part of the Agencywide Coding Structure (see FMM 9120).
- b. The various accounting entities and their related Agency Location Codes and Accounting Installation Numbers are listed in FMM Appendix 9211-8A.

## **9211-9 RECOMMENDATIONS FOR IMPROVEMENTS**

Recommendations and proposals for changes in the NASA accounting system should be submitted to the Director, Financial Management Division, Code BFG, NASA Headquarters. The Headquarters financial management systems staff will evaluate the proposed changes in terms of economy, time, application to the NASA-wide accounting system, impact on the existing system, and compliance with General Accounting Office and other regulatory and statutory requirements. The Headquarters financial management systems staff will also assist, on an "as required" basis, in implementing improvements to the Agencywide and Installation accounting systems.



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## 9210-8A NASA ACCOUNTING INSTALLATIONS

<b><u>NASA ACCOUNTING ENTITIES AND ADDRESS</u></b>	<b><u>AGENCY LOCATION CODE</u></b>	<b><u>ACCOUNTING INSTALLATION NUMBER</u></b>
NASA HEADQUARTERS WASHINGTON, DC 20546	80-00-0001	10
NASA HEADQUARTERS AGENCY ACCOUNTS AND REPORTS BRANCH, CODE BFB WASHINGTON, DC 20546	80-00-0087	N/A
AMES RESEARCH CENTER MOFFETT FIELD, CA 94035	80-00-1201	21
LEWIS RESEARCH CENTER 21000 BROOKPARK ROAD CLEVELAND, OH 44135	80-00-0701	22
LANGLEY RESEARCH CENTER LANGLEY STATION HAMPTON, VA 23665	80-00-0501	23
DRYDEN FLIGHT RESEARCH CTR EDWARDS, CA 93523	80-00-0024	24
GODDARD SPACE FLIGHT CTR GREENBELT, MD 20771	80-00-0002	51
MARSHALL SPACE FLIGHT CTR MARSHALL SPACE FLIGHT CTR, AL 35812	80-00-4901	62
JOHN C. STENNIS SPACE CTR STENNIS SPACE CENTER, MS 39529	80-00-0101	64
LYNDON B. JOHNSON SPACE CTR HOUSTON, TX 77058	80-00-0004	72
JOHN F. KENNEDY SPACE CTR KENNEDY SPACE CENTER, FL 32899	80-00-4904	76



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NOTE 1 - Foreign payments processed by the State Department relating to NASA activity, will be reported by the State Department to the Department of the Treasury using the State Department Agency Location Code (ALC) and a NASA appropriation symbol. These payments will be identified by Code BFB, NASA Headquarters, and expenditure information will be billed to the Installation utilizing the On-line Payment and Collection System (OPAC).

NOTE 2 - Letter of credit recipient drawdowns will be reported by the Department of Health and Human Services (ALC 75-08-9701) to the Department of Treasury under Account Symbol 80F3875. NASA Headquarters, Code BFB, will bill each Installation for its recipients' monthly drawdowns on OPAC under ALC 80-00-0087.



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## **FMM 9220 GENERAL LEDGER ACCOUNTING**

### **9221-1 PURPOSE**

This chapter defines the general ledger control accounts to be used by NASA's Central Office and Centers and illustrates the pro-forma entries for typical transactions.

### **9221-2 SCOPE**

The provisions of this chapter apply to all transactions affecting NASA's assets, liabilities, investment, revenues, and costs.

### **9221-3 LEDGERS TO BE MAINTAINED**

A ledger is defined as a group of accounts. The two classes of ledgers are general ledgers which contain control accounts and subsidiary ledgers which contain detail supporting accounts.

### **9221-4 GENERAL LEDGER**

The general ledger is a uniform system of accounts wherein all transactions are summarized. It contains control accounts from which the trial balance and related supporting schedules are prepared, and establishes a control point for the accounting system. The NASA general ledger is maintained at two levels: (1) the Central Office in Washington, DC, and (2) NASA Centers. The Central Office and Center accounts are interlocked by reciprocal accounts which support the principle of home office/branch office accounting, with all detailed accounting decentralized to the branches (Centers). General ledger accounts should be maintained to provide balances that are auditable and should be reconcilable (on a monthly basis) to the SF 224 (Statement of Transactions) and the Financial and Contractual Status (FACS) data.

### **9221-5 SUBSIDIARY LEDGERS**

Subsidiary ledger accounts are used to accumulate and segregate detailed transactions during an accounting period and support or generate entries recorded in applicable general ledger control accounts. The combined balances of the subsidiary ledger accounts must agree with the balance of the related control account in the general ledger. Subsidiary ledger accounts may also have accounts that are subsidiary.

The NASA accounting system requires subsidiary accounts for the following control accounts.



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<u>ControlAccount</u>	<u>Title</u>
1030	Imprest Funds with Cashiers
1050	Letter of Credit Authority Outstanding
1160	Accounts Receivable, Investment Interest
1210	Inventories, Store Stock, Government-Owned/Held
1220	Inventories, Stand-By Stock, Government-Owned/Held
1230	Inventories, Program Stock, Government-Owned/Held
1300	Inventories, Government-Owned/Contractor-Held
1420	Prepayments to Government Agencies
1430	Advances to Grantees and Contractors
1440	Advances to Recipient Organizations Under Letter of Credit
1550	Capitalized Equipment-Government-Owned/Held
1611	Land-Government-Owned/Non-Government-Held
1621	Buildings-Government-Owned/Non-Government-Held
1631	Other Structures and Facilities-Government-Owned/Non-Government-Held
1641	Leasehold Improvements-Government-Owned/Non-Government Held
1650	Equipment-Government-Owned/Non-Government-Held
1700	Fixed Assets, Grants and Cooperative Agreements
1930	Other Deferred Debits
1960	Contractor-Held Special Tooling
1970	Contractor-Held Special Test Equipment
1980	Contractor-Held Agency-Peculiar Property
2210	Liability for Deposit Funds
2220	Liability for Imprest Fund Advances
2240	Other Deferred Credits
2250	Reserve for Statistical Reimbursable Costs
3620	Resources Authorization Received From Other Centers
3630	Resources Authorization Issued to Other Centers
3810	Transfers of Fixed Assets Intra-NASA
3850	Property Adjustments, Prior Years
3870	Transfers of Non-Capital Costs Intra-NASA
3880	Transfers of Non-Capital Costs Outside of NASA
3890	Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA

Centers have the option of maintaining additional control or subsidiary accounts for local needs but must satisfy the reporting requirements of NASA Headquarters.



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## 9221-6 ACCOUNT STRUCTURE

The four-digit series structure used to group accounts is listed below:

<u>Series</u>	<u>Account Grouping</u>
1000	Available Funds
1100	Receivables
1200	Inventories, Government-Owned/Held
1300	Inventories, Government-Owned/Contractor-Held
1400	Advances and Prepayments
1500	Fixed Assets, Government-Owned/Held
1600	Contractor-Held Facilities
1700	Fixed Assets, Grants and Cooperative Agreements
1800	Personal Property Held by Property Disposal Officer
1900	Other Assets
2000	Accounts Payable
2200	Other Liabilities
3100/3200	Fund Accounts
3400	Reimbursement Accounts
3600	Resources Authorization Accounts
3700	Capital Investment
3800	Property and Cost Transfers and Property Disposals
4000	Revenue
5000/7000	Costs
6000	Statistical

## 9221-7 CHART OF ACCOUNTS

The general ledger control accounts by account number and title are provided in the following listing and are identified as maintained by the central office or the Center level.

<u>Accounts</u>	<u>Title</u>	<u>Reporting Office</u>
<b>ASSETS</b>		
<u><b>Available Funds</b></u>		
1010	Appropriated Funds with U.S. Treasury	Central Office & Center
1011	Estimated Appropriation Transfers	Central Office
1015	Trust Fund Cash For Investment	Central Office
1016	Trust Fund Cash Available For Expenditure	Center
1017	Cash, Gifts, and Donations	Center
1019	Undisbursed Allotments for Closed Accounts	Center
1030	Imprest Funds with Cashier	Center



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1040	Deposit Funds with Disbursing Officer	Central Office & Center
1050	Letter of Credit Authority Outstanding	Center
1060	Deposits with Others	Center
1065	Investments (at Par)	Center
1066	Investment Premium or Discount	Center
1070	Imprest Fund Accountability	Center
1080	Recertified Checks Issued	Center
1095	Undeposited Collections	Center

## **Receivables**

1110	Accounts Receivable, Reimbursements, Government	Center
1120	Accounts Receivable, Reimbursements, Other	Center
1130	Accounts Receivable, Center Refunds, Government	Center
1140	Accounts Receivable, Refunds, Other	Center
1150	Accounts Receivable, Other	Center
1160	Accounts Receivable, Investment Interest	Center
1170	Accounts Receivable, Reimbursements, Statistical	Center
1180	Accounts Receivable Refunds, Recertified Checks	Center
1190	Accounts Receivable, Unbilled	Center

## **Inventories**

1210	Inventories, Store Stock, Government- Owned/Held	Center
1220	Inventories, Stand-By Stock, Government- Owned/Held	Center
1230	Inventories, Program Stock, Government- Owned/Held	Center
1300	Inventories, Government-Owned/Contractor- Held	Center

## **Advances and prepayments**

1410	Advances to Travelers	Center
1420	Prepayments to Government Agencies	Center
1430	Advances to Grantees and Contractors	Center
1440	Advances to Recipient Organizations Under Letter of Credit	Center



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1490	Advances, Other	Center
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## **Fixed Assets**

1511	Land-Government-Owned/Held	Center
1521	Buildings-Government-Owned Held /	Center
1531	Other Structures and Facilities-Government-Owned/Held	Center
1541	Leasehold Improvements- Government-Owned/Held	Center
1550	Capitalized Equipment- Government-Owned/Held	Center
1611	Land-Government-Owned/ Non-Government-Held	Center
1621	Buildings-Government-Owned/ Non-Government-Held	Center
1631	Other Structures and Facilities-Government-Owned/ Non-Government-Held	Center
1641	Leasehold Improvements- Government-Owned/Non-Government-Held	Center
1650	Equipment-Government-Owned/ Non-Government Held	Center
1700	Fixed Assets, Grants and Cooperative Agreements	Center

## **Other Assets**

1810	Other Assets, Personal Property Held for Disposal-Capital Equipment	Center
1820	Other Assets, Personal Property Held for Disposal-Non-Capital	Center
1910	Deposits on Returnable Containers	Center
1920	Deposits, Other	Center
1930	Other Deferred Debits	Center
1940	Capitalized Leases	Center
1960	Contractor-Held Special Tooling	Center
1970	Contractor-Held Special Test Equipment	Center
1980	Contractor-Held Agency- Peculiar Property	Center
1990	Other Assets	Center

## **LIABILITIES**

### **Accounts Payable**

2010	Accounts Payable to Government Agencies	Center
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2019	Accounts Payable to Government Agencies/Closed Appropriation Accounts	Center
2020	Accounts Payable to Others	Center
2029	Accounts Payable to Others/ Closed Appropriation Accounts	Center
2030	Contract Holdbacks	Center
2040	Accounts Payable to Government Agencies Funded From Carrier Accounts 993, 994 or 998	Center
2050	Accounts Payable to Others and Funded From Carrier Accounts 993, 994 and 998	Center
2070	Contract Holdbacks Funded From Carrier Accounts 993, 994 or 998	Center

## **Other Liabilities**

2210	Liability for Deposit Funds	Central Office & Center
2220	Liability for Imprest Fund Advances	Center
2230	Liability for Accrued Annual Leave	Center
2240	Other Deferred Credits	Center
2250	Reserve for Statistical Reimbursable Costs	Center
2260	Liability For Deposits With Others	Center
2270	Liability For Capitalized Leases	Center
2280	Liability For Recertified Checks	Center
2290	Other Liabilities	Center

## **INVESTMENT**

### **Fund Accounts**

3110	Estimated Appropriation Reimbursements	Central Office
3120	Unapportioned Appropriations	Central Office
3130	Unallotted Apportionments	Central Office
3131	Unallotted Apportionments Appropriated -	Central Office
3132	Unallotted Apportionments Reimbursable-	Central Office
3150	Reimbursable Disbursing Authority Uncollected by Field Centers	Central Office
3210	Reimbursable Disbursing Authority Uncollected	Center
3220	Reserve for Receipt of Reimbursable Orders	Center
3230	Uncommitted/Unobligated Allotments	Center
3239	Uncommitted/Unobligated Allotments for Closed Accounts	Center
3240	Unobligated Commitments	Center



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3250	Unliquidated Obligations	Center
3259	Unliquidated Obligations for Closed Accounts	Center
3260	Disbursed Appropriations	Center
3270	Appropriations Available For Expenditure	Center
3280	Trust Fund Allotments	Center
3290	Reimbursable Receivables Written-Off	Center
3410	Unfilled Reimbursable Orders	Center
3420	Reimbursements Earned, Unbilled	Center
3430	Reimbursements, Earned, Uncollected	Center
3440	Reimbursements to Appropriation	Center
3450	Reimbursable Orders Outstanding	Center
3501	Future Funding Requirements	Center

## **Resources Authorization**

### **Accounts**

3610	Resources Authorization Received from Headquarters	Center
3620	Resources Authorization Received from Other Centers	Center
3630	Resources Authorization Issued to Other Centers	Center
3640	Net Resources Authorization	Center

### **Equity**

3720	Trust Fund Capital	Center
3730	Invested Capital	Center
3740	Cumulative Results Of Operations	Center
3750	Unexpended Appropriations	Center
3760	Donations & Other Items	Center
3770	Cumulative Results of Operations/Non-Entity	Center

## **Property and Cost Transfers and Property Disposals**

3810	Transfers of Fixed Assets Intra-NASA	Center
3820	Transfers of Fixed Assets Outside NASA	Center
3830	Cost of Property Retired	Center
3840	Property-Title Taken Under Grants, Cooperative Agreements or Contracts	Center
3850	Property Adjustments, Prior Years	Center
3870	Transfers of Non-Capital Costs Intra-NASA	Center
3880	Transfers of Non-Capital Costs Outside NASA	Center



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3890 Transfers of Cost, Property Held by Property Center  
Disposal Officer Intra-NASA

## **Revenue**

4110	Revenues, Miscellaneous Receipts	Center
4120	Revenues, Appropriations	Center
4130	Revenues, Special Fund Receipts	Center
4140	Revenues, Interest Earned	Center
4150	Revenue, Donations	Center

## **Costs**

5110	R&D Current Year Costs	Center
5120	R&D Fixed Assets in Progress	Center
5130	R&D Closings of Current Year Costs to Fixed Assets in Progress	Center
5140	R&D Contract Work in Process	Center
5150	R&D Closings of Current Year Costs to Contract Work in Process	Center
5160	R&D Current Year Changes in Contractor- Held Inventories	Center
5170	R&D Current Year Changes in Contractor- Held Special Test Equipment	Center
5180	R&D Current Year Changes in Contractor- Held Agency-Peculiar Property	Center
5190	R&D Current Year Changes in Contractor- Held Special Tooling	Center
5210	C of F Current Year Costs	Center
5220	C of F Fixed Assets in Progress	Center
5230	C of F Closings of Current Year Costs to Fixed Assets in Progress	Center
5240	C of F Contract Work in Process	Center
5250	C of F Closings of Current Year Costs to Contract Work in Process	Center
5260	C of F Current Year Changes in Contractor- Held Inventories	Center
5310	R&PM Current Year Costs	Center
5320	R&PM Fixed Assets in Progress	Center
5330	R&PM Closings of Current Year Costs to Fixed Assets Progress	Center
5340	R&PM Contract Work in Process	Center
5350	R&PM Closings of Current Year Costs to Contract Work in Process	Center
5360	R&PM Current Year Changes in Contractor-	Center



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	Held Inventories	
5370	R&PM Current Year Changes in Contractor-Held Special Test Equipment	Center
5390	R&PM Current Year Changes in Contractor-Held Special Tooling	Center
5410	SFCDC Current Year Costs	Center
5420	SFCDC Fixed Assets in Progress	Center
5430	SFCDC Closings of Current Year Costs to Fixed Assets in Progress	Center
5440	SFCDC Contract Work in Process	Center
5450	SFCDC Closings of Current Year Costs to Contract Work in Process	Center
5460	SFCDC Current Year Changes in Contractor-Held Inventories	Center
5470	SFCDC Current Year Changes in Contractor-Held Special Test Equipment	Center
5480	SFCDC Current Year Changes in Contractor-Held Agency-Peculiar Property	Center
5490	SFCDC Current Year Changes Contractor-Held Special Tooling	Center
5510	OIG Current Year Costs	Center
5520	OIG Fixed Assets in Progress	Center
5530	OIG Closings of Current Year Costs to Fixed Assets Progress	Center
5540	OIG Contract Work in Process	Center
5550	OIG Closings of Current Year Costs to Contract Work in Process	Center
5560	OIG Current Year Changes in Contractor-Held Inventories	Center
5570	OIG Current Year Changes in Contractor-Held Special Test Equipment	Center
5590	OIG Current Year Changes in Contractor-Held Special Tooling	Center
5610	Unfunded Costs, Current Year Costs	Center
5620	Unfunded Costs, Fixed Assets in Progress	Center
5630	Unfunded Costs, Closings to Fixed Assets in Progress	Center
5640	Unfunded Costs, Contract Work in Process	Center
5650	Unfunded Costs, Closings to Contract Work in Process	Center
5660	Statistical Reimbursable Costs	Center
5670	Statistical Reimbursable Costs Applied	Center
5700	Trust Fund Current Year Costs	Center
5810	R&D Interest Expense	Center
5820	C of F Interest Expense	Center



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5830	R&PM Interest Expense	Center
5840	SFCDC Interest Expense	Center
5850	OIG Interest Expense	Center
5860	SAT Interest Expense	Center
5870	HSF Interest Expense	Center
5880	MS Interest Expense	Center
5890	NAF Interest Expense	Center
5910	GSA Building Delegation Program	Center
7110	SAT Current Year Costs	Center
7120	SAT Fixed Assets in Progress	Center
7130	SAT Closings of Current Year Costs to Fixed Assets in Progress	Center
7140	SAT Contract Work in Process	Center
7150	SAT Closings of Current Year Costs to Contract Work in Process	Center
7160	SAT Current Year Changes in Contractor-Held Inventories	Center
7170	SAT Current Year Changes in Contractor-Held Special Test Equipment	Center
7180	SAT Current Year Changes in Contractor-Held Agency-Peculiar Property	Center
7190	SAT Current Year Changes in Contractor-Held Special Tooling	Center
7210	HSF Current Year Costs	Center
7220	HSF Fixed Assets in Progress	Center
7230	HSF Closings of Current Year Costs to Fixed Assets in Progress	Center
7240	HSF Contract Work in Process	Center
7250	HSF Closings of Current Year Costs to Contract Work in Process	Center
7260	HSF Current Year Changes in Contractor-Held Inventories	Center
7270	HSF Current Year Changes in Contractor-Held Special Test Equipment	Center
7280	HSF Current Year Changes in Contractor-Held Agency-Peculiar Property	Center
7290	HSF Current Year Changes in Contractor-Held Special Tooling	Center
7310	MS Current Year Costs	Center
7320	MS Fixed Assets in Progress	Center
7330	MS Closings of Current Year Costs to Fixed Assets in Progress	Center
7340	MS Contract Work in Process	Center
7350	MS Closings of Current Year Costs to Contract Work in Process	Center



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7360	MS Current Year Changes in Contractor-Held Inventories	Center
7370	MS Current Year Changes in Contractor-Held Special Test Equipment	Center
7380	MS Current Year Changes in Contractor-Held Agency-Peculiar Property	Center
7390	MS Current Year Changes in Contractor-Held Special Tooling	Center
7410	NAF Current Year Costs	Center
7420	NAF Fixed Assets in Progress	Center
7430	NAF Closings of Current Year Costs to Fixed Assets in Progress	Center
7440	NAF Contract Work in Process	Center
7450	NAF Closings of Current Year Costs to Contract Work in Process	Center
7460	NAF Current Year Changes in Contractor-Held Inventories	Center

## **Statistical**

6110	CSRS Reciprocal Account, Office of Personnel Management	Center
6120	CSRS Retirement Deductions & Deposits Prior Periods	Center
6130	CSRS Retirement Deductions, Current Calendar Year	Center
6140	CSRS Retirement Deduction For Partial CSR Employee, Current Calendar Year	Center
6150	CSRS Military Service Credit Deposits, Current Calendar Year	Center
6160	CSRS Civilian Service Credit Deductions, Current Calendar Year	Center
6210	General Fund Receipts Deposited	Center
6220	Special Fund Receipts Deposited	Center
6310	Uncollectable Receivables	Center
6320	Uncollectable Reimbursable Receivables	Center
6410	FERS Reciprocal Account, Office of Personnel Management	Center
6420	FERS Retirement Deductions & Deposits, Prior Periods	Center
6430	FERS Retirement Deductions, Current Calendar Year	Center
6440	FERS Military Service Credit Deposits, Current Calendar Year	Center



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## **9221-8 DEFINITIONS - CENTRAL OFFICE GENERAL LEDGER ACCOUNTS**

The general ledger accounts used by the central office are defined in the following listing. The normal debits and credits and nature of the account balance are described, including requirements for subsidiary accounts and data elements which must be maintained for each account, (i.e., appropriation).

### **ASSETS**

#### **1010 Appropriated Funds With U.S. Treasury**

This is a debit balance account maintained at the Central Office level to reflect the amounts of disbursing authority for appropriations and funds that are available for transfer to NASA Centers or other Government agencies. Debits include amounts of appropriation warrants, appropriation transfers (SF 1151) within NASA and nonexpenditure transfers (SF 1151) from other agencies. Credits include amounts of disbursing authority issued to Centers and nonexpenditures transfers of disbursing authority to other Government agencies. Subsidiary account 1011 is used for anticipated transfers of funds from one appropriation symbol to another within NASA. This account is maintained by appropriation symbol.

#### **1015 Trust Fund Cash For Investment**

This is a debit balance account maintained at NASA Headquarters to reflect the balance of the Science, Space and Technology Trust Fund that is available for investing in Treasury based special issue securities. Debits include the amount of the original principal and the collections received as investments mature. Credits include the amounts of disbursements made resulting from the purchase of Treasury securities and the amounts of allotment received.

#### **1040 Deposit Funds With Disbursing Officer**

This is a debit balance account maintained to reflect the amounts of advance funding from reimbursable customers on deposit with the Central Office disbursing officer that have not been either earned, billed, or collected. Debits include the amount of funds deposited as advance funding from reimbursable customers. Credits include payments by the disbursing officer for reimbursable effort that was earned and billed, and also refunds to the reimbursable customer. This account is maintained by deposit fund symbol.



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## LIABILITY

### 2210 Liability for Deposit Funds

This is a credit balance account maintained to reflect the liability for collections on deposit for reimbursable customer advance funding. Credits include the amount of funds deposited as advance funding from reimbursable customers. Debits include payments of funds by the disbursing officer for reimbursable effort that was earned and billed, and also refunds to the reimbursable customer. This account is maintained by deposit fund symbol.

## INVESTMENT

### 3110 Estimated Appropriation Reimbursements

This is a debit balance account maintained to reflect the amount of appropriation reimbursements not yet collected. Debits include the amounts stated as anticipated reimbursements in the apportionment schedule approved by the Office of Management and Budget. Credits include amounts reported monthly by Centers as reimbursements collected. This account is maintained by appropriation symbol.

### 3120 Unapportioned Appropriations

This is a credit balance account maintained to reflect the amounts under appropriations and funds available for apportionment and amounts reserved by the Office of Management and Budget. Credits include amounts of appropriation warrants. Debits include amounts of apportionments approved for the current period. This account is maintained by appropriation symbol.

### 3130 Unallotted Apportionments

This is a credit balance account maintained to reflect the amounts of apportioned funds available for allotments to NASA Centers. Credits include amounts of appropriations (subsidiary 3131) and estimated reimbursements (subsidiary 3132) apportioned for the current period. Debits include amounts allotted to NASA Centers. This account is maintained by appropriation symbol.



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3150

Reimbursable Disbursing Authority Uncollected by Centers

This is a credit balance account maintained to reflect the amount of reimbursable disbursing authority uncollected by NASA Centers. Credits include amounts of allotments to NASA Centers for reimbursable activities. Debits include amounts that have been collected as reimbursements by Centers. This account is maintained by appropriation symbol.

## **9221-9 PRO FORMA ENTRIES - CENTRAL OFFICE GENERAL LEDGER ACCOUNTING**

The following pro forma entries illustrate the posting of typical transactions to the central office general ledger accounts. They do not include all transactions that could occur.

(1) Appropriation Warrant Issued

Dr: 1010 Appropriated Funds with U.S. Treasury  
Cr: 3120 Unapportioned Appropriations

(2) Apportionment Approved

Dr: 3110 Estimated Appropriation Reimbursements  
Dr: 3120 Unapportioned Appropriations  
Cr: 3131 Unallotted Apportionments - Appropriated  
Cr: 3132 Unallotted Apportionments -Reimbursable

(3) Estimated Appropriation Transfers Within NASA

Dr: 1011 (Benefitting Appropriation) Estimated Appropriation Transfers  
Dr: 3131 (Transferring Appropriation) Unallotted Apportionments - Appropriated  
Cr: 1011 (Transferring Appropriation) Estimated Appropriation Transfers  
Cr: 3131 (Benefitting Appropriation) Unallotted Apportionments - Appropriated

(4) Allotment to NASA Centers

a. Appropriated Funds

Dr: 3131 Unallotted Apportionments - Appropriated  
Cr: 1010 Appropriated Funds with U.S. Treasury

b. Estimated reimbursements

Dr: 3132 Unallotted Apportionments - Reimbursable  
Cr: 3150 Reimbursable Disbursing Authority Uncollected by Centers



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- (5) Collection of Estimated Reimbursements
  - Dr: 3150 Reimbursable Disbursing Authority Uncollected by Centers
  - Cr: 3110 Estimated Appropriation Reimbursements
- (6) Deposit of Reimbursable Advance Funding
  - Dr: 1040 Deposit Funds With Disbursing Officer
  - Cr: 2210 Liability for Deposit Funds
- (7) Collection of Reimbursable Advance Funding Earned and Billed
  - Dr: 2210 Liability for Deposit Funds
  - Cr: 1040 Deposit Funds with Disbursing Officer
- (8) Actual Appropriation Transfer (Refer to 3.)
  - Dr: 1010 (Benefitting Appropriation) Appropriated Funds With U.S. Treasury
  - Dr: 1011 (Transferring Appropriation) Estimated Appropriation Transfers
  - Cr: 1010 (Transferring Appropriation) Appropriated Funds With U.S. Treasury
  - Cr: 1011 (Benefitting Appropriation) Estimated Appropriation Transfers
- (9) Adjustment of Reimbursable Authority to Orders Outstanding at the End of the Fiscal Year
  - Dr: 3150 Reimbursable Disbursing Authority Uncollected by Centers
  - Dr: 3132 Unallotted Apportionments - Reimbursable
  - Cr: 3110 Estimated Appropriation Reimbursements
- (10) Unobligated balances (expired accounts) Returned to Treasury at the End of the Fiscal Year
  - Dr. 3161 Allotted Appropriation Withdrawn
  - Cr. 3163 Surplus
  - Dr. 3131 Unallotted Apportionments - Appropriated
  - Cr. 1010 Appropriated Fund With U.S. Treasury
- (11) Restoration of Funds from the Treasury
  - Dr. 3163 Surplus
  - Cr. 3161 Allotted Appropriation Withdrawn
- (12) Cancel Allotments in Lapsed Appropriations at the End of the Fiscal Year
  - Dr. 3162 Other Balances Withdrawn
  - Cr. 3161 Allotted Appropriation Withdrawn



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## (13) Transfer Lapsed Appropriations at the End of the Fiscal Year

Dr. 3110 Estimated Appropriation Reimbursements

Dr. 3150 Reimbursable Disbursing Authority Uncollected by Center

Dr. 3161 Allotted Appropriation Withdrawn

Cr. 3110 Estimated Appropriation Reimbursements

Cr. 3150 Reimbursable Disbursing Authority Uncollected by Centers

Cr. 3161 Allotted Appropriation Withdrawn

## **9221-10 DEFINITIONS - CENTER GENERAL LEDGER ACCOUNTS**

The general ledger accounts used by NASA Centers are defined in the following listing. The normal debits and credits and nature of the account balance are described, including requirements for subsidiary accounts and data elements which must be maintained for each account, (i.e., appropriation, fund, or receipt account, class, type, contract number, etc).

### **ASSETS**

#### **1010 Appropriated Funds With U.S. Treasury**

This is a debit balance account maintained at the Center level to reflect the undisbursed balances of appropriations available to Centers for disbursing purposes. Debits include amounts of disbursing authority received, collections received as reimbursements or refunds for credit to the appropriation, and decreases in Letter of Credit Authority Outstanding due to termination or reduction of such authority. Credits include amounts of disbursements made, decreases of disbursing authority resulting from changes in allotments advances, prepayments and amounts designated for payment of Letter of Credit authorizations issued in favor of recipient organizations. This account is maintained by appropriation symbol.

#### **1016 Trust Fund Cash Available For Expenditure**

This is a debit balance account maintained at NASA Headquarters to reflect the balance of the Science, Space and Technology available for disbursing purposes. Debits include the amounts of disbursing authority transferred from account 1015, Trust Fund Cash For Investment and received as allotment (504). Credits include amounts of disbursements made and decreases of disbursing authority resulting from changes in allotments.



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1017

## Cash, Gifts, and Donations

This account is now available for use in recording cash, gifts, and donations. The cumulative total of donated cash currently recorded in account 1040 (Deposit funds with disbursing officer) should be moved to the new account, as of July 31, 1993. NOTE: Account 1017 should only be utilized by the Headquarters Accounting Division.

1019

## Undisbursed Allotments for Closed Accounts

This is a debt balance account maintained at the Center level to reflect the undisbursed allotment balances for appropriation accounts that have been closed by Treasury. Debits include the amounts posted to this account when values are established in accounts 3239 and 3259. Credits include the amount of closed account obligations that are disbursed against unexpired appropriation accounts. The total of this account should equal the total of accounts 3239 and 3259. This account is maintained by appropriation symbol/program year. Appropriation symbol 80C010x, with a program year identifier, will be utilized for all entries. The 'x' identifies the type of appropriation. The program year identifier will list each year separately, except for the program years closed on May 5, 1991, which will be summarized and identified as 80C0103-83 for R&PM, 80C0108-82 for R&D, 80C0107-81 for CoF and 80C0109-90 for OIG.

1030

## Imprest Funds with Cashier

This is a debit balance account maintained to reflect the authorized amount of imprest funds held by each cashier. Debits include amounts of initial advances and increases in advances to imprest fund cashiers. Credits include amounts of decreases in advances. A subsidiary record is maintained for each cashier.

1040

## Deposit Funds With Disbursing Officer

This is a debit balance account maintained to reflect the amounts of voucher deductions and other collections on deposit with the disbursing officer. Debits include amounts representing withholdings from employees' salaries for taxes, bond purchases and other unapplied deposit funds. Credits include payments by the disbursing officer to the Department of the Treasury, various States, firms or individuals, and transfers to other appropriation, fund or miscellaneous receipt accounts. This account is maintained by deposit fund symbol.



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1050

## Letter of Credit Authority Outstanding

This is a debit balance account maintained to show the balance of Letter of Credit authority issued to universities and nonprofit institutions that has not been drawn down. Debits include the amounts of funds authorized for drawdown in favor of a recipient organization under a Letter of Credit. Credits include the amounts drawdown by recipients and decreases in the letter of credit authority outstanding due to termination or reduction of such authority. A subsidiary account is maintained for each recipient organization and each account is maintained by appropriation symbol.

1060

## Deposits With Others

This is a debit balance account maintained to reflect the amount of cash on deposit with a financial institution other than the U.S. Treasury. Debits include the amounts of deposits made or interest earned and posted. Credits include the amount of withdrawals made by the trustees of the bank account. A subsidiary account is maintained for each bank account.

1065

## Investments (At Par)

This is a debit balance account maintained to reflect the par value of securities that have been purchased with funds from the Science, Space and Technology Trust Fund. Debits include the par value of investments purchased. Credits include the par value of investments that have matured.

1066

## Investment Premium or Discount

This is a debit or credit balance account that reflects the premiums or discounts realized when investments are purchased for the Science, Space and Technology Trust Fund. Debits include premiums at the time of purchase and the discounts earned at the time an investment matures. Credits include the discount realized at the time an investment is purchased and the premium at the time an investment matures.

1070

## Imprest Fund Accountability

This is a debit balance account maintained by the Central Office to reflect the amount of imprest funds authorized by the Director, Financial Management Division, NASA Headquarters. Debits include amounts of initial authorizations and increases in authorizations to imprest fund cashiers. Credits include amounts of decreases in authorizations.



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1080

## Recertified Checks Issued

This is a debit balance account maintained to reflect the amount of recertified checks that have been issued before final resolution of the initial check. Debits include the amounts of checks that have been reissued before final disposition or collection is received from Treasury. Credits include the amounts of collections received, checks returned uncashed or checks written off as lost, related to reissued checks. This account is maintained by appropriation symbol.

1095

## Undeposited Collections

This account has been established, as of August 31, 1993, for recording cash and checks that are held at the end of a month and not deposited on a SF 215.

1110

## Accounts Receivable, Reimbursements, Government

This is a debit balance account maintained to reflect the amount of appropriation reimbursements billed, but not collected from other Government agencies. Debits include the amounts of bills rendered. Credits include the amounts of collections received. This account is maintained by appropriation symbol.

1120

## Accounts Receivable, Reimbursements, Other

This is a debit balance account maintained to reflect the amount of appropriation reimbursements billed, but not collected from other than Government agencies. Debits include the amounts of bills rendered. Credits include the amounts of collections received. This account is maintained by appropriation symbol.

1130

## Accounts Receivable, Refunds, Government

This is a debit balance account maintained to reflect the amount of appropriation refunds billed, but not collected from other Government agencies. Debits include the amounts of bills rendered. Credits include amounts of collections received. This account is maintained by appropriation symbol.

1140

## Accounts Receivable, Refunds, Other

This is a debit balance account maintained to reflect the amount of appropriation refunds billed, but not collected from other than Government agencies. Debits include the amounts of bills rendered. Credits include the amounts of collections received. This account is maintained by appropriation symbol.



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## 1150 Accounts Receivable, Other

This is a debit balance account maintained to reflect the amounts due which, when collected, are for deposit to miscellaneous receipts, special fund receipts, or deposit funds. Debits include the amounts of bills rendered. Credits include the amounts of collections received. This account is maintained by receipt or fund symbol.

## 1160 Accounts Receivable, Investment Interest

This is a debit balance account maintained to reflect the amount of interest due on investments. Debits include the amounts of interest earned. Credits include the amounts of collections received. This account is maintained by trust fund or appropriation symbol.

## 1170 Accounts Receivable, Reimbursements, Statistical

This is a debit balance account maintained to show the amounts billed to reimbursable customers for contract administration charges, Headquarters overhead charges, or depreciation/use charges. Debits include the amounts of bills rendered. Credits include the amounts transferred to NASA Headquarters during the fiscal year in accordance with FMM 9090-11. This account is maintained by deposit fund symbol.

## 1180 Accounts Receivable, Refunds, Recertified Checks

This is a debit balance account maintained to reflect amounts due from vendors and individuals for checks that have been recertified, but resolution of the initial check has not yet been obtained. Debits include the amounts of checks recertified. Credits include the amounts of collections received, checks returned uncashed or checks written off as lost. This account is maintained by appropriation symbol.

## 1190 Accounts Receivable, Unbilled

This is a debit balance account maintained to reflect accounts receivable which have not been billed. Debits include the amounts for such items not billed. Credit entries are made when bills are issued for items previously entered in this account. Separate accounts are maintained by appropriation symbol and RAN.



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1210

Inventories, Store Stock, Government-Owned/Held

This is a debit balance account maintained to reflect the cost of material being held in inventory by an Center which is repetitively procured, stored and issued on the basis of recurring demand. Debits include the cost of inventories purchased, transferred in, donated, or returned to a warehouse for reissue. Credits include the cost of inventories issued for use or reclassified for disposal to account 1820, Other Assets, Personal Property Held for Disposal-Non-Capital. A subsidiary account is maintained for each geographic location. Geographic locations are maintained with a subsidiary account for each Federal Supply Classification Group. Each account is maintained by appropriation symbol.

1220

Inventories, Stand-By Stock, Government-Owned/Held

This is a debit balance account maintained to reflect the cost of material being held in inventory by an Center for emergencies. Debits include the cost of inventories purchased, transferred in, donated, or returned to a warehouse for reissue. Credits include the cost of inventories issued for use or reclassified for disposal to account 1820, Other Assets, Personal Property Held for Disposal-Non-Capital. A subsidiary account is maintained for each geographic location. Geographic locations are maintained with a subsidiary account for each Federal Supply Classification Group. Each account is maintained by appropriation symbol.

1230

Inventories, Program Stock, Government-Owned/Held

This is a debit balance account maintained to reflect the cost of material acquired by a specific program and being held in inventory by an Center until required by the program. Debits include the cost of materials purchased, transferred in or donated. Credits include the cost of materials issued for use or reclassified for disposal to account 1820, Other Assets, Personal Property Held for Disposal-Non-Capital Equipment. A subsidiary account is maintained for each geographic location. Geographic locations are maintained with a subsidiary account for each Federal Supply Classification Group. Each account is maintained by appropriation symbol.



# NASA Financial Management Manual

1300

## Inventories, Government-Owned/Contractor-Held

This is a debit balance account maintained to reflect the cost of Government-Owned/Contractor-Held inventories. The costs to be recorded relative to contractor-held materials include (1) funded items obtained by contractors during the current year, based upon payments to the contractors and NASA Form 1018 reports, and (2) unfunded transfers from NASA or others to contractors, based upon NASA Form 1018 reports. The account is supported by a subsidiary account for each contract.

1410

## Advances to Travelers

This is a debit balance account maintained to reflect the outstanding balance of advances made to employees for travel and for the shipment of household goods in accordance with existing regulations. Debits include amounts of advances made. Credits include amounts of advances liquidated either by offset on vouchers for travel and shipment of household goods or by repayment of outstanding advances. The detail supporting this account should be maintained at the employee level. This account is maintained by appropriation symbol.

1420

## Prepayments to Government Agencies

This is a debit balance account maintained to reflect the outstanding prepayments to other Government agencies, for services to be rendered or material to be furnished. Debits include amounts of prepayments made. Credits include the amounts of advances liquidated based on receiving or cost reports. A subsidiary account should be maintained for each procurement instrument based on the advances made. This account is maintained by appropriation symbol.

1430

## Advances to Grantees and Contractors

This is a debit balance account maintained to reflect the outstanding balance of advances paid to NASA grantees and contractors. Debits include advances made. Credits include the liquidation of advances based on expenditures reported by grantees and contractors on Standard Form 272 received quarterly and by recoupment of outstanding advances. A subsidiary account should be maintained for each grantee and contractor. This account is to be maintained by appropriation symbol.



# NASA Financial Management Manual

1440

## Advances to Recipient Organizations Under Letter of Credit

This is a debit balance account maintained to show the outstanding balances of advances made to grantees and contractors under letters of credit. Debits include amounts advanced to grantees and contractors under letters of credit. Credits include amounts reported as expenditures on Standard Form 272 received quarterly from recipient organizations and from repayments made to NASA by recipient organizations due to termination of a Letter of Credit and such other repayments as may be requested by NASA. A subsidiary account should be maintained for each letter of credit recipient. This account is to be maintained at the appropriation symbol.

1490

## Advances, Other

This is a debit balance account maintained to show the outstanding advances not provided for elsewhere. Debits include advances made. Credits include amounts representing the liquidation of advances. This account is maintained by appropriation symbol.

1511

## Land-Government-Owned/Held

This is a debit balance account maintained to reflect the cost or appraised value of land owned by the government including public domain lands, standby facilities, and permanent improvements to the land. Debits include the cost of land purchased, transferred in or donated. Credits include the cost of land sold, transferred out, or otherwise disposed.

1521

## Buildings-Government-Owned/Held

This is a debit balance account maintained to reflect the cost of government-owned buildings under the control of the agency. Debits include the cost of buildings purchased, transferred in or donated. Credits include the cost of buildings sold, transferred out, or otherwise disposed.

1531

## Other Structures and Facilities-Government-Owned/Held

This is a debit balance account maintained to reflect the cost of or appraised value of government-owned structures and facilities other than buildings that are under the control of the agency. Debits include the cost of other structures and facilities purchased, transferred in or donated. Credits include the cost of other structures and facilities sold, transferred out, or otherwise disposed.



# NASA Financial Management Manual

1541

## Leasehold Improvements-Government-Owned/Held

This is a debit balance account maintained to reflect the cost of improvements to leased land, buildings, structures, and facilities occupied by the government as a lessee, as well as easements and right-of-way. Debits include the cost of lease improvements expensed. Credits include a reduction to leasehold improvements.

1550

## Capitalized Equipment-Government-Owned/Held

This is a debit balance account maintained to reflect the cost of equipment with a unit cost of \$5,000 or more and a useful life of two years or more, which is not consumed in an experiment. Debits include the cost of equipment purchased or transferred in or donated. Credits include the cost of equipment sold, transferred out or otherwise disposed. A subsidiary account is maintained for each Federal Supply Classification Group.

1611

## Land-Government-Owned/Non-Government-Held

This is a debit balance account maintained to show the cost of Government-furnished and contractor-acquired land which is under the control and use of a NASA contractor and owned by the Government. Debits include the cost of NASA-owned land purchased by the contractor or furnished to the contractor by the Government. Credits include costs of land sold, transferred out or otherwise disposed. Upon receipt of NASA Form 1018 reports from contractors, increases or decreases in costs recorded in this account will be adjusted as appropriate. The account will be supported by a subsidiary account for each contract.

1621

## Buildings-Government-Owned/Non-Government-Held

This is a debit balance account maintained to show the cost of Government-furnished and contractor-acquired buildings which are under the control and use of a NASA contractor and owned by the Government. Debits include the cost of NASA-owned buildings purchased by the contractor or furnished to the contractor by the Government. Credits include costs of buildings sold, transferred out or otherwise disposed. Upon receipt of NASA Form 1018 reports from contractors, increases or decreases in costs recorded in this account will be adjusted as appropriate. The account will be supported by a subsidiary account for each contract.



# NASA Financial Management Manual

- 1631      Other Structures and Facilities-Government-Owned/Non-Government-Held
- This is a debit balance account maintained to show the cost of Government-furnished and contractor-acquired other structures and facilities which are under the control and use of a NASA contractor and owned by the Government. Debits include the cost of NASA-owned other structures and facilities purchased by the contractor or furnished to the contractor by the Government. Credits include costs of other structures and facilities sold, transferred out or otherwise disposed. Upon receipt of NASA Form 1018 reports from contractors, increases or decreases in costs recorded in this account will be adjusted as appropriate. The account will be supported by a subsidiary account for each contract.
- 1641      Leasehold Improvements-Government-Owned/Non-Government-Held
- This is a debit balance account maintained to show the cost of Government-furnished and contractor-acquired leasehold improvements which are under the control and use of a NASA contractor and owned by the Government. Debits include the cost of NASA-owned leasehold improvements purchased by the contractor or furnished to the contractor by the Government. Credits include reductions to the cost of leasehold improvements. Upon receipt of NASA Form 1018 reports from contractors, increases or decreases in costs recorded in this account will be adjusted as appropriate. The account will be supported by a subsidiary account for each contract.
- 1650      Equipment-Government-Owned/Non-Government-Held
- This is a debit balance account maintained to show the cost of Government-furnished and contractor-acquired equipment, with a unit cost of \$5,000 or more and a useful life of two years or more, which are under the control and use of a NASA contractor and owned by the Government. Debits include the cost of NASA-owned equipment purchased by the contractor or furnished to the contractor by the Government. Credits include the cost of equipment sold, transferred out or otherwise disposed. Upon receipt of NASA Form 1018 reports from contractors, increases or decreases in costs recorded in this account will be adjusted as appropriate. The account will be supported by a subsidiary account for each contract.



# NASA Financial Management Manual

1700

Fixed Assets, Grants and Cooperative Agreements

This is a debit balance account maintained to show the cost of Government-furnished fixed assets provided to recipients or purchased by them with Government funds and owned by the Government, under the terms of agreements. Debits include the cost of such fixed assets provided to or purchased by recipients. Credits include the cost of fixed assets sold, transferred, abandoned, scrapped or otherwise disposed of. The account is supported by a subsidiary account for each type of instrument and for each grant, and cooperative agreement in accordance with policies and definitions as set forth in FMM 9250.

1810

Other Assets, Personal Property Held for Disposal - Capital Equipment

This is a debit balance account maintained to record the value of capitalized property turned in to the Property Disposal Officer for redistribution or disposal and for which the Property Disposal Office is accountable. Debits include the value of capitalized property turned in to the Property Disposal Officer. Credits include the amounts representing the value recorded for capitalized property that has been disposed of by the Property Disposal Officer. The case files are maintained by the Property Disposal Officer to support the financial records. All increases and decreases to account 1810 will be recorded from data contained in the monthly Property Disposal Officer's Report.

1820

Other Assets, Personal Property Held for Disposal - Non-Capital

This is a debit balance account maintained to record the value of non-capitalized property turned in to the Property Disposal Officer for redistribution or disposal and for which the Property Disposal Office is accountable. Debits include the value of non-capitalized property turned in to the Property Disposal Officer. Credits include the amounts representing the value recorded for non-capitalized property that has been disposed of by the Property Disposal Officer. The case files are maintained by the Property Disposal Officer to support the financial records. All increases and decreases to account 1820 will be recorded from data contained in the monthly Property Disposal Officer's Report.

1910

Deposits on Returnable Containers

This is a debit balance account maintained to reflect the amounts due and deposits made to suppliers for returnable containers on loan to NASA under terms of written agreements. The account will be debited upon receipt of returnable containers from suppliers. Credits include amount of billings issued to suppliers for deposit funds. Credits are also made when title passes to NASA under terms of agreement.



# NASA Financial Management Manual

1930

## Other Deferred Debits

This is a debit balance account maintained to reflect undistributed charges not provided for elsewhere, pending analysis and distribution at a later date. Debits represent increases to the account. Credits represent decreases or distribution of deferred amounts to other appropriate accounts. The account is supported by separate subsidiary accounts to reflect the amounts applicable to: (1) fixed assets (accounts 15XX, 16XX, and 1700), (2) assets in progress (accounts 5X20, 5X40, 7X20 and 7X40), (3) inventories (accounts 12XX and 1300), (4) contractor-held property returned to NASA from accounts 1960, 1970, and 1980 recorded here on the basis of receiving and shipping documents only when data are not available for direct recording to the 12XX/15XX or other appropriate accounts. Amounts reported here are subject to adjustment upon receipt of the NASA Form 1018 reports pending reclassification to the appropriate 12XX/15XX accounts, (5) other property, and (6) transactions other than property.

1940

## Capitalized Leases

This is a debit balance account that is maintained to reflect the fair market value of property that is being acquired under terms that are essentially equivalent to an installment purchase. Debits include the fair market value of assets that meet the NASA capitalization criteria (FMM 9250) and are being purchased under terms that are essentially equivalent to an installment purchase. Credits will be recorded when the title to the property passes to NASA or the installment purchase agreement is terminated or transferred to another Center or government agency. The credit amount will equal amount originally debited to this account at the initiation of the installment purchase.

1960

## Contractor-Held Special Tooling

This is a debit balance account maintained to reflect the cost of contractor-held special tooling. Debits include the cost of (1) funded items obtained by contractors during the current year, as reported on the NASA Form 1018, and (2) unfunded items transferred to contractors by NASA or others during the current year, as evidenced by transfer/shipping documents. Such transfers shall be directly recorded in this account, with a corresponding credit to the applicable 15XX account. Credits include decreases or distribution to other accounts due to usage or transfers to NASA from contractors (recorded to 1930, 15XX, 12XX, or another account as appropriate). A subsidiary account is maintained for each contract.



# NASA Financial Management Manual

1970

## Contractor-Held Special Test Equipment

This is a debit balance account maintained to reflect the cost of contractor-held special test equipment. Debits include the cost of (1) funded items obtained by contractors during the current year, as reported on the NASA Form 1018, and (2) unfunded items transferred to contractors by NASA or others during the current year, as evidenced by transfers/shipping documents. Such transfers shall be directly recorded in this account, with a corresponding credit to the applicable 15XX account. Credits include decreases or distribution to other accounts due to usage or transfers to NASA from contractors (recorded to 1930, 15XX, 12XX, or another account as appropriate). A subsidiary account is maintained for each contract.

1980

## Contractor-Held Agency-Peculiar Property

This is a debit balance account maintained to reflect the cost of contractor-held agency-peculiar property. Debits include the cost of (1) funded items obtained by contractors during the current year, as reported on the NASA Form 1018, and (2) unfunded items transferred to contractors by NASA or others during the current year, as evidenced by transfer/shipping documents. Such transfers shall be directly recorded in this account. Credits include decreases or distribution to other accounts due to usage or transfers to NASA from contractors (recorded to 1930, 15XX, 12XX, or another account as appropriate). A subsidiary account is maintained for each contract.

1990

## Other Assets

This is a debit balance account maintained to reflect the net value of all other assets not provided for elsewhere. Debits represent increases to the account. Credits represent decreases to the account.

## LIABILITIES

2010

**Accounts Payable to Government Agencies** This is a credit balance account maintained to reflect the amounts due to Government agencies for supplies, materials and equipment furnished to or services performed for NASA. Credits include the amounts of accrued liabilities incurred as identified in receiving reports, billings rendered, cost reports, and estimated amounts applicable to other Government agencies. Debits include the reversal of accrued liabilities made at the time payment is rendered. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

2019

## Accounts Payable to Government Agencies/Closed Appropriation Accounts

This account must be utilized in the General Ledger Accounts System (GLAS) reporting, as of September 30, 1993. These accounts should be maintained by closed account appropriation symbols, (i.e., 80C0103-83) and should be updated as unliquidated obligations and associated costs are cancelled at year-end or during the fiscal year as cancelled obligations are disbursed or deobligated.

2020

## Accounts Payable to Others

This is a credit balance account maintained to reflect the amounts due to an establishment other than Government agencies for supplies, materials, and equipment furnished to or services performed for NASA. Credits include the amounts of accrued liabilities incurred, as identified in receivable reports, billings rendered, and cost reports, (i.e., NASA Form 533, Contractor Financial Management Report), and through estimated amounts for utilities, payrolls, and contractors' unbilled and unreported costs. Debits include the reversal of accrued liabilities made at the time payment is rendered. This account is maintained by appropriation symbol.

2029

## Accounts Payable to Others/Closed Appropriation Accounts

This amount must be utilized in the General Ledger Accounts System (GLAS) reporting, as of September 30, 1993. These accounts should be maintained by closed account appropriation symbols, (i.e., 80C0103-83) and should be updated as unliquidated obligations and associated costs are cancelled at year-end or during the fiscal year as cancelled obligations are disbursed or deobligated.

2030

## Contract Holdbacks

This is a credit balance account maintained to reflect the liability for amounts that are withheld from the contractor awaiting the delivery of material or completion of the contract. Credits include the amounts withheld from progress payments invoiced by the contractor. Debits include the amount of payments made to the contractor for amounts previously withheld. This account is maintained by appropriation symbol.



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2040

Accounts Payable to Government Agencies Funded From Carrier Accounts 993, 994, or 998

This is a credit balance account maintained to reflect the amounts due to Government agencies for supplies, materials, and equipment furnished to or services performed for NASA, and funded from carrier accounts 993, 994, or 998. Credits include the amounts of accrued liabilities incurred as identified in receiving reports, billings rendered, cost reports, and estimated amounts applicable to other Government agencies. Debits include the reversal of accrued liabilities made at the time that the payment is rendered. This account is maintained by appropriation symbol.

2050

Accounts Payable to Others and Funded From Carrier Accounts 993, 994, or 998

This is a credit balance account maintained to reflect the amounts due to an establishment other than Government agencies for supplies, materials, and equipment furnished to or services performed for NASA, and funded from the 993, 994, or 998 carrier accounts. Credits include the amounts of accrued liabilities incurred as identified in receiving reports, billings rendered, cost reports, and estimated amounts. Debits include the reversal of accrued liabilities made at the time payment is rendered. This account is maintained by appropriation symbol.

2070

Contract Holdbacks Funded From Carrier Accounts 993, 994, or 998

This is a credit balance account maintained to reflect the liability for amounts that are withheld from the contractor awaiting the delivery of material or completion of the contract, and funded from the 993, 994, or 998 carrier accounts. Credits include the amounts withheld from progress payments invoiced by the contractor. Debits include the amount of payments invoiced by the contractor. Debits include the amount of payments made to the contractor for amounts previously withheld. This account is maintained by appropriation symbol.

2210

Liability for Deposit Funds

This is a credit balance account maintained to reflect the liability for voucher deductions and other collections on deposit with the disbursing officer. Credits include the amounts representing withholdings from employees' salaries for taxes, bond purchases, and other unapplied deposit funds, i.e., advance funding for reimbursables). Debits include payments by the disbursing officer to the Department of the Treasury, various States, firms or individuals, and transfers to other appropriation, fund or receipt accounts. Subsidiary accounts are maintained for each of the following categories:



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2211	Employees' Bond Deductions
2212	Employees' Tax Deductions - Federal
2213	Employee's FICA Deductions
2214	Employer's Share of FICA
2215	Employee's Tax Deductions - Aliens
2216	Employee's Tax Deductions - State
2217	Federal Excise Tax Collected
2218	Unapplied Deposit Funds
2219	Deposit Funds - Other

Each category is maintained by deposit fund symbol.

## 2220 Liability for Imprest Fund Advances

This is a credit balance account maintained to reflect the amounts of funds advanced to the imprest fund cashiers by the disbursing officer. Credits include amounts of initial advances and increases in advances. Debits include amounts of decreases in advances. Subsidiary accounts are maintained for each cashier.

## 2230 Liability for Accrued Annual Leave

This is a credit balance account maintained to show annually at fiscal year-end the liability for unused annual leave. A debt or credit entry will be made for the difference between the leave liability at the close of the prior fiscal year and the liability at the close of the current fiscal year. The contra credit or debit will be to account 5610, Unfunded Costs.

## 2240 Other Deferred Credits

This is a credit balance account maintained to reflect undistributed credits not provided for elsewhere, pending analysis and distribution at a later date. Credits represent increases to the account. Debits represent decreases or distribution of deferred amounts to appropriate accounts. Subsidiary accounts are maintained to reflect the amounts applicable to:

- (1) fixed assets (accounts 15XX, 16XX, and 1700);
- (2) assets in progress (accounts 5X20, 5X40, 7X20, and 7X40);
- (3) inventories (accounts 12XX and 1300);
- (4) other property, and
- (5) transactions other than property.



# NASA Financial Management Manual

2250

## Reserve for Statistical Reimbursable Costs

This is a credit balance account maintained to show the amount of statistical reimbursable costs (contract administration, Headquarters overhead, and depreciation/use) billed, but not transferred to NASA Headquarters. The offsetting debit entry for this account is to account 1170, Accounts Receivable, Reimbursements, Statistical. Credits include the amounts billed to reimbursable customers for statistical costs. Debits include the amounts transferred to NASA Headquarters during the fiscal year in accordance with FMM 9090-11. Subsidiary accounts are maintained for each cost category:

- (1) Contract Administration
- (2) Headquarters Overhead
- (3) Depreciation/use

Each account is maintained by deposit symbol.

2260

## Liability For Deposits With Others

This is a credit balance account maintained to reflect the liability for funds on deposit with a financial institution other than the U.S. Treasury. Credits include the amounts of deposits made or interest earned and posted. Debits include the amount of withdrawals made by the trustees of the bank account.

2270

## Liability For Capitalized Leases

This is a credit balance account maintained to reflect the unearned fair market value of capitalized assets acquired under terms essentially equal to an installment purchase. Credits include the fair market value of assets that meet the NASA capitalization criteria (FMM 9250) and are being purchased under terms that are essentially equivalent to an installment purchase. Debits will be recorded when each installment payment is made. The amount debited will amortize, on a straight line basis, the fair market value of the asset over the number of installment payments.

2280

## Liability For Recertified Checks

This is a credit balance account maintained to reflect amounts due from vendors and individuals for checks that have been recertified, but resolution of the initial check has not yet been obtained. Credits include the amounts of checks recertified. Debits include the amounts of collections received, checks returned uncashed or checks written off as lost. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

2290

## Other Liabilities

This is a credit balance account maintained to reflect liabilities not provided for elsewhere. Credits represent increases to the account. Debits represent decreases to the account. This account is maintained by appropriation symbol.

## INVESTMENT

3210

### Reimbursable Disbursing Authority Uncollected

This is a debit balance account maintained to reflect the amount of reimbursable disbursing authority (504) uncollected from customers. Debits include the amounts of estimated reimbursements to be collected by the Center based on allotments made for reimbursable activities. Credits include the amounts collected from reimbursable customers for costs incurred. This account is maintained by appropriation symbol.

3220

### Reserve for Receipt of Reimbursable Orders

This is a credit balance account maintained to reflect the amount of the allotment reserved for receipt of reimbursable orders. Credits include the amounts of allotments (504) made to an Center for reimbursable activities. Debits include the amounts of firm reimbursable orders accepted. This account is maintained by appropriation symbol.

3230

### Uncommitted/Unobligated Allotments

This is a credit balance account maintained to show the balance of uncommitted/unobligated allotments. Credits include the amounts of appropriated funds allotments received and the amount of firm reimbursable orders accepted. Debits include the amounts of commitments and the amounts of obligations incurred. This account is maintained by appropriation symbol.



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3239

## Uncommitted/Unobligated Allotments for Closed Accounts

This is a credit balance maintained to show the balance of uncommitted/unobligated allotments for appropriation accounts that have been closed by Treasury. Credits include the amount of unobligated allotment (504) posted to this account when an appropriation account is closed by Treasury. Credits are also posted when an amount previously posted to account 3259 is deobligated based on procurement actions. Debits include the amount of obligation adjustments related to closed accounts. This account is maintained by appropriation symbol/program year and excluding reimbursable and reimbursable. Appropriation symbol 80C010x, with a program year identifier, will be utilized for all entries. The 'x' identifies the type of appropriation. The program year identifier will list each year separately, except for the program years closed on May 5, 1991, which will be summarized and identified as 80C0103-83 for R&PM, 80C0108-82 for R&D, 80C0107-81 for CoF and 80C0109-90 for OIG.

3240

## Unobligated Commitments

This is a credit balance account maintained to reflect the amount of unobligated commitments. Credits include the amounts of commitments. Debits include the reversal of amounts previously committed as obligations are incurred or commitments are cancelled. This account is maintained by appropriation symbol.

3250

## Unliquidated Obligations

This is a credit balance account maintained to reflect the amount of unliquidated obligations. Credits include the amounts of obligations incurred. Debits include the amounts of payments made or the reduction of obligations. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

3259

## Unliquidated Obligations for Closed Accounts

This is a credit balance account maintained to reflect the amount of unliquidated obligations in appropriation accounts closed by Treasury. Credits include the amount of obligations cancelled when an account is closed by Treasury. Credits are also processed when obligation adjustments, related to closed accounts, are documented as a legal liability and the subsequent disbursement is not imminent. Debits include the amount of closed account obligations that are disbursed against an unexpired appropriation account. Debits are also posted when an amount is deobligated based on procurement actions. This account is maintained by appropriation symbol/program year and excluding reimbursable and reimbursable. Appropriation symbol 80C010x, with a program year identifier, will be utilized for all entries. The 'x' identifies the type of appropriation. The program year identifier will list each year separately, except for the program years closed on May 5, 1991, which will be summarized and identified as 80C0103-83 for R&PM, 80C0108-82 for R&D, 80C0107-81 for CoF and 80C0109-90 for OIG.

3260

## Disbursed Appropriations

This is a credit balance account maintained to reflect the disbursements recorded during the current fiscal year. Credits include the amounts of payments made. Debits occur when refunds are deposited and when the balance of the account is transferred to equity at the end of each fiscal year. This account is maintained by appropriation symbol.

3270

## Appropriations Available For Expenditure

This is a debit balance account maintained and updated annually to reflect the amount of unexpended appropriations. Account 3270 is a contra account for account 3750, Unexpended Appropriations. The debit or credit entry to update account 3750 will have a contra credit or debit entry to account 3270.



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3280

## Trust Fund Allotments

This is a debit balance account maintained at NASA Headquarters to reflect the undisbursed balance of the Science, Space and Technology Trust Fund made available for disbursing purposes. Debits include amounts of disbursing authority received from the trust fund investments or refunds for credit to the trust fund. Credits include amounts of disbursements made and decreases of disbursing authority resulting from changes in allotments. At the end of the fiscal year, after the pre-closing trial-balance and before the post-closing trial balance, the balance of this account is transferred to account 3720, Trust Fund Capital.

3290

## Reimbursable Receivables Written-Off

This is a debit balance account maintained to reflect the amount of reimbursable receivables that are written-off. Debits include the amount of reimbursables uncollected by Centers for reimbursable activities. Credits occur at the time the funding appropriation account is closed. This account is maintained by appropriation symbol and should not be used when writing off expired reimbursable allotment that has not been obligated.

3410

## Unfilled Reimbursable Orders

This is a debit balance account maintained to reflect the amount of firm reimbursable orders that have not been costed. Credits include the amounts of firm reimbursable orders that have been costed. This account is maintained by appropriation symbol.

3420

## Reimbursements Earned, Unbilled

This is a debit balance account maintained to reflect amounts of firm reimbursable orders that have been costed. Debits include the amounts of reimbursable orders earned. Credits include the amounts of actual billings rendered. This account is maintained by appropriation symbol.

3430

## Reimbursements Earned, Uncollected

This is a debit balance account maintained to reflect reimbursable orders costed (earned) and billed but not collected. Debits include the amounts of bills rendered. Credits include the amounts of collections received. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

## 3440 Reimbursements to Appropriations

This is a debit balance account maintained to reflect the amount of reimbursable orders earned (costed), billed, and collected. Debits include the amounts of collections received during the fiscal year. Credits occur when the total balance of the account is transferred to equity at the end of each fiscal year. This account is maintained by appropriation symbol.

## 3450 Reimbursable Orders Outstanding

This is a credit balance account maintained to reflect the amounts of firm reimbursable orders for which collections have not been made. Credits include amounts for firm reimbursable orders accepted. Debits include collections received for billed reimbursable orders. This account is maintained by appropriation symbol.

## 3501 Future Funding Requirements

This is a debit balance account, maintained by closed account appropriation symbol to represent the amount of funding for liabilities not funded by past appropriations or for which no funding has been authorized.

## 3610 Resources Authorization Received From Headquarters

This is a debit balance account maintained to reflect the net amount of all resources authorizations received from Headquarters. Debits include the amounts of resources authorization received from Headquarters. Credits include the amounts of resources authorization withdrawn by Headquarters and reductions by the Centers. This account is maintained by appropriation symbol.

## 3620 Resources Authorization Received From Other Centers

This is a debit balance account maintained to reflect the net amount of subauthorizations received from other NASA Centers. Debits include the amounts of subauthorizations received. Credits include the amounts of subauthorization withdrawn or reduced. Subsidiary accounts are maintained by each NASA Center from which subauthorizations are received. Each account is maintained by appropriation symbol.



# NASA Financial Management Manual

3630

## Resources Authorization Issued to Other Centers

This is a credit balance account maintained to reflect the net amount of subauthorizations issued to other NASA Centers. Credits include the amounts of subauthorizations issued. Debits include the amounts of subauthorizations withdrawn or reduced. Subsidiary records are maintained for each NASA Center to which subauthorizations are issued. Each account is maintained by appropriation symbol.

3640

## Net Resources Authorization

This is a credit balance account maintained to reflect the net amount of resources authorization available to NASA Centers. Credits include the amounts of resources authorizations received from Headquarters and subauthorizations received from other NASA Centers. Debits include the amounts of resources authorization issued to other NASA Centers, withdrawals of resources authorization received from Headquarters and reductions of Center resources authorizations. This account is maintained by appropriation symbol.

3720

## Trust Fund Capital

This is a credit balance account maintained to reflect the net value of assets purchased with funds provided under a Trust Fund. Postings will be made to this account at the end of the fiscal year. The credit or debit balance of the following accounts will be transferred to account 3720 at the end of the fiscal year.

3260	Disbursed Appropriation (Trust Fund account only)
3280	Trust Fund Allotments
4140	Revenues, Interest Earned (Trust Fund account only)
4150	Revenue, Donations
5700	Trust Fund Current Year Costs

This account is maintained by trust fund account symbol.

3730

## Invested Capital

This is a credit balance account maintained to reflect the amount of Government-owned property including inventory, capitalized equipment, real property, leasehold improvements and facilities in progress. The account will be updated at the end of each fiscal year as part of the post-closing entries. The amount to be posted to account 3730 should be calculated by using the current fiscal year change for the following accounts:



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<u>ACCOUNT</u>	<u>TITLE</u>
1210	Inventories, Store Stock, Government-Owned/Held
1220	Inventories, Stand-By Stock, Government-Owned/Held
1230	Inventories, Program Stock, Government-Owned/Held
1300	Inventories, Government-Owned/Contractor-Held
1511	Land-Government-Owned/Held
1521	Buildings-Government-Owned/Held
1531	Other Structures and Facilities-Government-Owned/
1541	Leasehold Improvements-Government-Owned/Held
1550	Capitalized Equipment-Government-Owned/Held
1611	Land-Government-Owned/Non-Government-Held
1621	Buildings-Government-Owned/Non-Government-Held
1631	Other Structures and Facilities-Government-Owned/Non-Government-Held
1641	Leasehold Improvements-Government-Owned/Non-Government-Held
1650	Equipment-Government-Owned/Non-Government Held
1700	Fixed Assets, Grants and Cooperative Agreements
1810	Other Assets, Personal Property Held for Disposal-Capital Equipment
1820	Other Assets, Personal Property Held for Disposal-Non-Capital
1910	Deposits on Returnable Containers
1930	Other Deferred Debits
1960	Contractor-Held Special Tooling
1970	Contractor-Held Special Test Equipment
1980	Contractor-Held Agency-Peculiar Property
1990	Other Assets
2240	Other Deferred Credits
5120	R&D Fixed Assets in Progress
5140	R&D Contract Work in Process
5220	C of F Fixed Assets in Progress
5240	C of F Contract Work in Process
5320	R&PM Fixed Assets in Progress
5340	R&PM Contract Work in Process
5420	SFCDC Fixed Assets in Progress
5440	SFCDC Contract Work in Process
5520	OIG Fixed Assets in Progress
5540	OIG Contract Work in Process
7120	SAT Fixed Assets in Progress
7140	SAT Contract Work in Process
7220	HSF Fixed Assets in Progress
7240	HSF Contract Work in Process
7320	MS Fixed Assets in Progress
7340	MS Contract Work in Process



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7420            NAF Fixed Assets in Progress  
7440            NAF Contract Work in Process

The current fiscal year change in account 1940, Capitalized Leases minus the change in account 2270, Liability for Capitalized Leases should also be included in account 3730. If the calculation results in an increase for the fiscal year, account 3740 should be debited and 3730 credited. If there is a decrease, 3730 should be debited and 3740 credited.

The balances of the accounts above should equal the total of account 3730 plus account 3760, Donations and Other Items. The contra entry when updating account 3730 should be made to account 3740, Cumulative Results of Operations.

3740            Cumulative Results of Operations

This is a debit or credit balance account maintained to reflect the net difference between (1) expenses, losses and transfers out and (2) appropriations, revenues and gains from the inception of NASA. The balances of the following accounts will be closed to account 3740 at the end of the fiscal year as part of the post-closing entries:

## **ACCOUNT    TITLE**

3260	Disbursed Appropriations (except Trust Fund Account symbols which go to account 3720)
3440	Reimbursements to Appropriations
3810	Transfers of Fixed Assets Intra-NASA
3820	Transfers of Fixed Assets Outside of NASA
3830	Cost of Property Retired
3840	Property-Title Taken Under Grants, Cooperative Agreements or Contracts
3850	Property Adjustments, Prior Years
3870	Transfers of Noncapital Costs Intra-NASA
3880	Transfers of Noncapital Costs Outside of NASA
3890	Transfers of Costs. Property Held by Property Disposal Officer, Intra-NASA
4120	Revenues, Appropriations
4140	Revenues, Interest Earned
5110	R&D Current Year Costs
5130	R&D Closings of Current Year Costs to Fixed Assets in Progress
5150	R&D Closings of Current Year Costs to Contractor-Held Facilities in Progress
5160	R&D Current Year Changes in Contractor-Held Inventories



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5170	R&D Current Year Changes in Contractor-Held Special Test Equipment
5180	R&D Current Year Changes in Contractor-Held Agency-Peculiar Property
5190	R&D Current Year Changes in Contractor-Held Special Tooling
5210	C of F Current Year Costs
5230	C of F Closings of Current Year Costs to Fixed Assets in Progress
5250	C of F Closings of Current Year Costs to Contractor-Held Facilities in Progress
5260	C of F Current Year Changes in Contractor-Held Inventories
5310	R&PM Current Year Costs
5330	R&PM Closings of Current Year Costs to Fixed Assets in Progress
5350	R&PM Closings of Current Year Costs to Contractor-Held Facilities in Progress
5360	R&PM Current Year Changes in Contractor-Held Inventories
5370	R&PM Current Year Changes in Contractor-Held Special Test Equipment
5390	R&PM Current Year Changes in Contractor-Held Special Tooling
5410	SFCDC Current Year Costs
5430	SFCDC Closings of Current Year Costs to Fixed Assets in Progress
5450	SFCDC Closings of Current Year Costs to Contractor-Held Facilities in Progress
5460	SFCDC Current Year Changes in Contractor-Held Inventories
5470	SFCDC Current Year Changes in Contractor-Held Special Test Equipment
5480	SFCDC Current Year Changes in Contractor-Held Agency-Peculiar Property
5490	SFCDC Current Year Changes in Contractor-Held Special Tooling
5510	OIG Current Year Costs
5530	OIG Closings of Current Year Costs to Fixed Assets in Progress
5550	OIG Closings of Current Year Costs to Contractor-Held Facilities in Progress
5560	OIG Current Year Changes in Contractor-Held Inventories
5570	OIG Current Year Changes of Contractor-Held Special Test Equipment
5590	OIG Current Year Changes of Contractor-Held Special Tooling



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5610	Unfunded Costs
5630	Unfunded Costs, Closings to Fixed Assets in Progress
5650	Unfunded Costs, Closings to Contractor-Held Facilities in Progress
5810	R&D Interest Expense
5820	C of F Interest Expense
5830	R&PM Interest Expense
5840	SFCDC Interest Expense
5850	OIG Interest Expense
5860	SAT Interest Expense
5870	HSF Interest Expense
5880	MS Interest Expense
5890	NAF Interest Expense
6210	General Fund Receipts Deposited
6220	Special Fund Receipts Deposited
6310	Uncollectable Receivables
6320	Uncollectable Reimbursable Receivables
7110	SAT Current Year Costs
7130	SAT Closings of Current Year Costs to Fixed Assets in Progress
7150	SAT Closings of Current Year Costs to Contractor-Held Facilities in Progress
7160	SAT Current Year Changes in Contractor-Held Inventories
7170	SAT Current Year Changes in Contractor-Held Special Test Equipment
7180	SAT Current Year Changes in Contractor-Held Agency-Peculiar Property
7190	SAT Current Year Changes in Contractor-Held Special Tooling
7210	HSF Current Year Costs
7230	HSF Closings of Current Year Costs to Fixed Assets in Progress
7250	HSF Closings of Current Year Costs to Contractor-Held Facilities in Progress
7260	HSF Current Year Changes in Contractor-Held Inventories
7270	HSF Current Year Changes in Contractor-Held Special Test Equipment
7280	HSF Current Year Changes in Contractor-Held Agency-Peculiar Property
7290	HSF Current Year Changes in Contractor-Held Special Tooling
7310	MS Current Year Costs
7330	MS Closings of Current Year Costs to Fixed Assets in Progress



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7350	MS Closings of Current Year Costs to Contractor-Held Facilities in Progress
7360	MS Current Year Changes in Contractor-Held Inventories
7370	MS Current Year Changes in Contractor-Held Special Test Equipment
7380	MS Current Year Changes in Contractor-Held Agency-Peculiar Property
7390	MS Current Year Changes in Contractor-Held Special Tooling
7410	NAF Current Year Costs
7430	NAF Closings of Current Year Costs to Fixed Assets in Progress
7450	NAF Closings of Current Year Costs to Contractor-Held Facilities in Progress
7460	NAF Current Year Changes in Contractor-Held Inventories

The balance of account 3740 should be adjusted as part of the post-closing entries applicable to accounts 3730, Invested Capital and 3760, Donations and Other Items.

## 3750 Unexpended Appropriations

This is a credit balance account that represents the amounts of allotment authority that are either (1) unobligated and have not lapsed, been rescinded or been withdrawn or (2) obligated but not yet expended (e.g., undelivered orders). This account is used only for year-end post-closing entries. The balance of account 3750 represents the total of the balances in the appropriated (direct) accounts 3230, 3240, 3250 minus the balances in accounts payable accounts 2010, 2020, 2030, 2040, 2050, 2060 and 2070 minus accounts receivable, refunds accounts 1130 and 1140. The current fiscal year change for the accounts is calculated and used to debit or credit 3750. Account 3270, Appropriations Available for Expenditure is used as the contra account for 3750.

## 3760 Donations & Other Items

This is a credit balance account maintained to reflect the value of property or services donated to NASA Centers. Donations are nonreciprocal transfers of assets or services from state, local or foreign governments; individuals; or others not considered a related party to the federal government. This account should be updated at the end of the fiscal year based on the current fiscal year change in the property accounts applicable to donations. The contra entry when updating account 3760 should be to account 3730, Invested Capital.



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3770

## Cumulative Results of Operations/Non-Entity

This is a debit or credit balance account maintained to reflect the net difference since the inception of the activity between (1) collections, and (2) revenues for miscellaneous receipts and special fund receipts from the inception of NASA. The post closing credit balance in account 3770 should reflect the outstanding receivables in account 1150.

3810

## Transfers of Fixed Assets Intra-NASA

This is a debit or credit balance account maintained to reflect the book cost of fixed assets transferred between NASA Centers on a nonreimbursable basis. Debits include the amounts of fixed assets transferred to another NASA Center. Credits include the amounts of fixed assets received from another NASA Center. The balance of this account is transferred to equity at the end of the fiscal year. Subsidiary accounts are maintained by NASA Centers.

3820

## Transfers of Fixed Assets Outside NASA

This is a debit or credit balance account maintained to reflect the cost of fixed assets transferred between NASA and other Government agencies, and individuals on a nonreimbursable basis. Debits include amounts of fixed assets transferred or donated by NASA to other agencies and individuals. Credits include amounts of fixed assets transferred or donated to NASA by outside agencies and individuals. The balance of this account is transferred to equity at the end of the fiscal year.

3830

## Cost of Property Retired

This is a debit balance account maintained to reflect the book cost of all retirements of fixed assets and disposal of property held by the Property Disposal Officer (except transfers to other NASA Centers which debit account 3890). Debit amounts include sales, donations, write-offs, abandonments, destructions, net adjustments for fixed assets inventory differences, and transfers to other Government agencies for either use or disposal processing. The account is credited at fiscal year-end to transfer the balance to equity.



# NASA Financial Management Manual

3840

## Property - Title Taken Under Grants, Cooperative Agreements or Contracts

This is a credit balance account maintained to reflect the book cost of property to which NASA has taken title through the exercise of its right to direct transfer of the title under a grant, cooperative agreement or contract with a nonprofit institution of higher education or nonprofit organization whose primary purpose is the conduct of scientific research. The account is debited at fiscal year-end to transfer the balance to equity.

3850

## Property Adjustments, Prior Years

This is a debit or credit balance account maintained to reflect the cost, on a current basis, of property and inventory acquired in prior fiscal years. Debits include the monthly transfer of prior year non-capital costs that remain after the transfer of completed fixed assets to account 15XX from account 5X20, Fixed Assets in Progress, and completed contractor/recipient facilities to accounts 16XX or 1700 from account 5X40, Contractor Facilities in Progress. At the fiscal year-end, the balance of this account is transferred to equity. A subsidiary account is maintained to reflect the amounts applicable to each of the following categories:

- (1) Fixed assets accounts 15XX, 16XX and 1700;
- (2) Fixed assets in progress accounts 5X20, 5X40, 7X20 and 7X40;
- (3) Inventory accounts 12XX and 1300; and
- (4) Other property.

3870

## Transfers of Non-Capital Costs Intra-NASA

This is a debit or credit balance account maintained to reflect the cost of materials, non-capital equipment, and contractor-held equipment (Special Tooling, Special Test, and Agency-Peculiar Property with offsets direct to account 1960, 1970, or 1980 as appropriate) transferred between NASA Centers on a non-reimbursable basis. Non-reimbursable transfers from account 18XX (Personal Property Held by Property Disposal Officer) are not recorded in this account. Debits include the amounts transferred to another NASA Center. Credits include the amounts received from another NASA Center. The balance of this account is transferred to equity at the end of the fiscal year.



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3880

## Transfers of Non-Capital Costs Outside NASA

This is a debit or credit balance account maintained to reflect the cost of materials, non-capital equipment, and contractor-held equipment (Special Tooling, Special Test, and Agency-Peculiar Property with offsets direct to account 1960, 1970, or 1980 as appropriate) transferred between NASA and other Government agencies or individuals, on a non-reimbursable basis. Non-reimbursable transfers from account 18XX (Personal Property Held by Property Disposal Officer) are not recorded in this account. Debits include the amounts transferred or donated by NASA to other Government agencies and individuals. Credits include the amounts transferred or donated to NASA by other Government agencies and individuals. The balance of this account is transferred to equity at the end of the fiscal year.

3890

## Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA

This is a debit or credit balance account maintained to show the cost of property held by the Property Disposal Officer (account 18XX), and transferred to another NASA Center on a non-reimbursable basis. Debits include the amounts of property transferred to another NASA Center. Credits include the amounts received from another NASA Center. The balance of this account is transferred to equity at the end of the fiscal year.

## REVENUE

4110

## Revenues, Miscellaneous Receipts

This is a credit balance account maintained to reflect revenue from user charges, reimbursables, and other activities that are not reimbursements to appropriations. Credits include the amounts earned (costed) that are either billed or unbilled. Debits occur when the balance of the account is transferred to account 3770, Cumulative Results of Operations/Non-Entity, at the end of each fiscal year. This account is maintained by receipt account symbol.

4120

## Revenues, Appropriations

This is a credit balance account maintained to reflect revenue from reimbursements to appropriations. Credits include the amounts of reimbursables earned (costed) that are either billed or unbilled. Debits occur when the balance of the account is transferred to account 3770, Cumulative Results of Operations/Non-Entity, at the end of each fiscal year. This account is maintained by appropriation symbol.



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## 4130 Revenues, Special Fund Receipts

This is a credit balance account maintained to reflect revenue from special fund receipts. Credits include the amounts earned (costed) that are either billed or unbilled. Debits occur when the balance of the account is transferred to account 3770, Cumulative Results of Operations/Non-Entity, at the end of each fiscal year. This account is maintained by special fund receipt account symbol.

## 4140 Revenues, Interest Earned

This is a credit balance account maintained to reflect interest earned on investments. Credits include the amounts earned that are posted as collections. Debits include reductions in amounts earned. The balance of this account is transferred to equity at the end of each fiscal year. This account is maintained by fund symbol.

## 4150 Revenue, Donations

This is a credit balance account maintained to reflect cash donations made to NASA. Credits include the amounts of cash or checks received and deposited to the Gifts and Donations Trust Fund or the Endeavor Teacher Fellowship Trust Fund. Credits also include amounts transferred to the Endeavor Teacher Fellowship Trust Fund from the Gifts and Donations Trust Fund. Debits include amounts transferred from the Gifts and Donations Trust Fund to the Endeavor Teacher Fellowship Trust Fund. The balance of this account is transferred to Trust Fund Capital, account 3720, at the end of each fiscal year. This account is maintained by trust fund symbol.

## **COSTS**

## 5110 R&D Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Research and Development appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 5110.

- (1) Account 5130, R&D Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 5150, R&D Closings of Current Year Costs to Contract Work in Process
- (3) Account 5160, R&D Current Year Changes in Contractor-Held Inventories



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- (4) Account 5170, R&D Current Year Changes in Contractor-Held Special Test Equipment
- (5) Account 5180, R&D Current Year Changes in Contractor-Held Agency-Peculiar Property
- (6) Account 5190, R&D Current Year Changes in Contractor-Held Special Tooling

The balance of account 5110, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.

## 5120 R&D Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to R&D fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for R&D Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as R&D Fixed Assets in Progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 5130, R&D Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

## 5130 R&D Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to R&D closings of current year costs to R&D fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of R&D current year costs of fixed assets in progress to account 5120 R&D Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 5120. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5110. This account is maintained by appropriation symbol.



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5140

## R&D Contract Work in Process

This is a debit balance account maintained to accumulate costs related to R&D Contract Work in Process, whether or not the costs are to be expenses or capitalized. Debits include the amount of costs incurred on a monthly basis for Contract or Recipient Work in Process. Credits are made at the time the facilities in progress are completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as R&D Contract Work in Process. The capitalized portion of the reversal is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5150, R&D Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment Prior Years, as appropriate. This account is maintained by appropriation symbol.

5150

## R&D Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to R&D closings of current year costs to R&D Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of contractor-held facilities in progress to account 5140 R&D Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 5140. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5110. This account is maintained by appropriation symbol.

5160

## R&D Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by R&D funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018, reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1300, Inventories, Government-Owned/Contractor-Held. At the end of the fiscal year, after the pre-closing trial balances and before the post closing trial balances, the balance of this account is transferred to account 5110, R&D Current Year Costs. This account is maintained by appropriation symbol.



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5170

## R&D Current Year Changes in Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are R&D funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 5110, R&D Current Year Costs. This account is maintained by appropriation symbol.

5180

## R&D Current Year Changes in Contractor-Held Agency-Peculiar Property

This is a debit or credit balance account maintained to accumulate costs relating to agency-peculiar property held by contractors who are R&D funded. Credits include amounts of increases in space hardware held by contractors. Debits include amounts of decreases in agency-peculiar property held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1980, Contractor-Held Agency-Peculiar Property. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5110, R&D Current Year Costs. This account is maintained by appropriation symbol.

5190

## R&D Current Year Changes in Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are R&D funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5110, R&D Current Year Costs. This account is maintained by appropriation symbol.



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5210

## C of F Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Construction of Facilities appropriation. Debits include amounts for costs incurred during the fiscal year. Credits include the amount of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 5210.

- (1) Account 5230, C of F Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 5250, C of F Closings of Current Year Costs to Contract Work in Process
- (3) Account 5260, C of F Current Year Changes in Contractor-Held Inventories

The balance of account 5210, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post-closing trial balance. This account is maintained by appropriation symbol.

5220

## C of F Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to C of F fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for C of F fixed assets in progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in the account as C of F fixed assets in progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 5230, C of F Closing of Current Year Costs to Fixed Assets in Progress or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

5230

## C of F Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to C of F closings of current year costs to C of F fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of C of F current year costs of fixed assets in progress to account 5220 C of F, Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 5220. At fiscal year-end, and after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5210. This account is maintained by appropriation symbol.



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5240

## C of F Contract Work in Process

This is a debit balance account maintained to accumulate costs related to C of F Contract in Process, whether or not the costs are to be expensed work or capitalized. Debits include the amount of costs incurred on a monthly basis for contractor or recipient facilities in progress. Credits are made at the time the facilities in progress are completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as C of F Contract Work in Process. The capitalized portion of the reversals is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5250, C of F Closing of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

5250

## C of F Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate cost on a current basis related to C of F closings of current year costs to C of F Contractor Facilities in Progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contractor-Held Facilities in Progress to account 5240 R&D Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 5240. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5210. This account is maintained by appropriation symbol.

5260

## C of F Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by C of F funded contractors. Debits include decreases in such inventories. Credits include increases in such inventories. The amount to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is 1300, Inventories, Government-Owned/Contractor-Held. At fiscal year-end, after the pre-closing and before the post-closing trial balance, the balance of this account is transferred to account 5210, C of F Current Year Costs. This account is maintained by appropriation symbol.



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5310

## R&PM Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Research and Program Management appropriation. Debits include amounts for costs incurred during the fiscal year. Credits include amounts of refunds during the year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of the following accounts are transferred to account 5310.

- (1) Account 5330, R&PM Closings of Current Year Costs to Fixed Assets in Progress.
- (2) Account 5350, R&PM Closings of Current Year Costs to Contract Work in Process.
- (3) Account 5360, R&PM Current Year Changes in Contractor-Held Inventories.
- (4) Account 5370, Current Year Changes in Contractor-Held Special Test Equipment.
- (5) Account 5390, R&PM Current Year Closings of Contractor-Held Special Tooling.

The balance of account 5310, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post-closing trial balance. This account is maintained by appropriation symbol.

5320

## R&PM Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to R&PM fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for R&PM fixed assets in progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as R&PM fixed assets in progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government Owned/Held, with the non-capitalized portion being debited to either account 5330, R&PM Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.



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5330

## R&PM Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to R&PM Closings of Current Year Costs to R&PM fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of R&PM current year costs of fixed assets in progress to account 5320 R&PM Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital from account 5320. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, this account is transferred to account 5310. This account is maintained by appropriation symbol.

5340

## R&PM Contract Work in Process

This is a debit balance account maintained to accumulate costs related to R&PM contractor facilities in progress, whether or not the costs are to be expensed or capitalized. Debits include the amount of costs incurred on a monthly basis for Contract Work in Process. Credits are made at the time the facilities in progress are completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as R&PM Contractor Facilities in Progress. The capitalized portion of the reversals is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5350, R&PM Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

5350

## R&PM Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate cost on a current basis related to R&PM Closings of current year costs to R&PM Contractor, Facilities in Progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contractor-Held Facilities in Progress to account 5340 R&PM Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 5340. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5310. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

5360

## R&PM Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the changes in inventories held by R&PM funded contractors. Debits include decreases in such inventories. Credits include increases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is 1300, Inventories, Government-Owned/Contractor-Held. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of the account is transferred to account 5310, R&PM Current Year Costs. This account is maintained by appropriation symbol.

5370

## R&PM Current Year Closings of Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are R&PM funded. Debits include amounts of decrease in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5310, R&PM Current Year Costs. This account is maintained by appropriation symbol.

5390

## R&PM Current Year Closings of Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are R&PM funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in the costs recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of the account is transferred to account 5310, R&PM Current Year Costs. This account is maintained by appropriation symbol.



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5410

## SFCDC Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Space Flight, Control and Data Communications appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 5410.

- (1) Account 5430, SFCDC Closings of Current Year Costs to Fixed Assets in Progress.
- (2) Account 5450, SFCDC Closings of Current Year Costs to Contract Work in Process.
- (3) Account 5460, SFCDC Current Year Changes in Contractor-Held Inventories.
- (4) Account 5470, SFCDC Current Year Changes in Contractor-Held Special Test Equipment.
- (5) Account 5480, SFCDC Current Year Changes in Contractor-Held Agency-Peculiar Property.
- (6) Account 5490, SFCDC Current Year Changes in Contractor-Held Special Tooling.

The balances of account 5410 reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.

5420

## SFCDC Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to SFCDC Fixed Assets in Progress. Debits include the amount of costs incurred on a monthly basis for SFCDC Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized, and include the reversal of amounts previously recorded in this account as SFCDC Fixed Assets in Progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 5430, SFCDC Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.



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5430

## SFCDC Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to SFCDC Closings of current year costs to SFCDC fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of SFCDC current year costs of fixed assets in progress to account 5420 SFCDC Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 5420. At fiscal year-end after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5410. This account is maintained by appropriation symbol.

5440

## SFCDC Contract Work in Process

This is a debit balance account maintained to accumulate costs related to SFCDC Contract Work in Process, whether or not the costs are to be expensed or capitalized. Debits include the amounts of costs incurred on a monthly basis for Contract or Recipient Work in Process. Credits are made at the time the facilities in progress are completed and capitalized, and include the reversal of amounts pertaining to the capitalized assets that was previously recorded in this account as SFCDC Contract Work in Process. The capitalized portion of the reversal is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5450, SFCDC Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment Prior Years, as appropriate. This account is maintained by appropriation symbol.

5450

## SFCDC Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to SFCDC closings of current year costs to SFCDC Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contract Work in Process to account 5440 SFCDC Contract Work in Process. Debits include the monthly transfer of current non-capital costs from account 5440. At fiscal year-end after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5410. This account is maintained by appropriation symbol.



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5460

## SFCDC Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by SFCDC funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1300, Inventories, Government-Owned/Contractor-Held. At the end of the fiscal year after the pre-closing trial balances and before the post-closing trial balances, the balance of this account is transferred to account 5410, SFCDC Current Year Costs. This account is maintained by appropriation symbol.

5470

## SFCDC Current Year Changes in Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are SFCDC funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 5410, SFCDC Current Year Costs. This account is maintained by appropriation symbol.



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5480

## SFCDC Current Year Changes in Contractor-Held Agency-Peculiar Property

This is a debit or credit balance account maintained to accumulate costs relating to Agency-Peculiar Property held by contractors who are SFCDC funded. Credits include amounts of increases in Agency-Peculiar Property held by contractors. Debits include amounts of decreases in Agency-Peculiar Property held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1980, Contractor-Held Agency-Peculiar Property. At the end of the fiscal year after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5410, SFCDC Current Year Costs. This account is maintained by appropriation symbol.

5490

## SFCDC Current Year Changes in Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are SFCDC funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5410, SFCDC Current Year Costs. This account is maintained by appropriation symbol.

5510

## OIG Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Office of Inspector General appropriation. Debits include amounts for costs incurred during the fiscal year. Credits include amounts of refunds during the year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of the following accounts are transferred to account 5510.

- (1) Account 5530, OIG Closings of Current Year Costs to Fixed Assets in Progress.
- (2) Account 5550, OIG Closings of Current Year Costs to Contract Work in Process.
- (3) Account 5560, OIG Current Year Changes in Contractor-Held Inventories.



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- (4) Account 5570, OIG Current Year Changes in Contractor-Held Special Test Equipment.
- (5) Account 5590, OIG Current Year Closings of Contractor-Held Special Tooling.

The balance of account 5510, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.

## 5520 OIG Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to OIG fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for OIG fixed assets in progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as OIG fixed assets in progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government Owned/Held, with the non-capitalized portion being debited to either account 5530, R&PM Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

## 5530 OIG Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to OIG Closings of current year costs to OIG fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of OIG current year costs of fixed assets in progress to account 5520 OIG Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 5520. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, this account is transferred to account 5510. This account is maintained by appropriation symbol.



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5540

## OIG Contract Work in Process

This is a debit balance account maintained to accumulate costs related to OIG Contract Work in Process, whether or not the costs are to be expensed or capitalized. Debits include the amount of costs incurred on a monthly basis for Contract Work in Process. Credits are made at the time the Work in Process is completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as OIG Contractor Facilities in Progress. The capitalized portion of the reversals is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5550, OIG Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

5550

## OIG Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to OIG Closings of current year costs to OIG Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contract Work in Process to account 5540 OIG Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 5540. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5510. This account is maintained by appropriation symbol.

5560

## OIG Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the changes in inventories held by OIG funded contractors. Debits include decreases in such inventories. Credits include increases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018, reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is 1300, Inventories, Government-Owned/Contractor-Held. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of the account is transferred to account 5510, OIG Current Year Costs. This account is maintained by appropriation symbol.



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5570

## OIG Current Year Changes in Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are OIG funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 5510, OIG Current Year Costs. This account is maintained by appropriation symbol.

5590

## OIG Current Year Changes in Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are OIG funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 5510, OIG Current Year Costs. This account is maintained by appropriation symbol.



# NASA Financial Management Manual

5610

## Unfunded Costs

This is debit balance account maintained to accumulate during the year the cost of services, materials, and non-capital equipment transferred on a non-reimbursable basis between NASA Centers and between NASA and other agencies or individuals (see accounts 3870, 3880, and 3890). This account also includes unfunded adjustments of property, inventory, (i.e., returns), and annual leave liability accounts within a particular NASA Center (offsetting debits and credits to account 2230 for differences between the liability at the prior September 30 and the liability at the current September 30), and all fund source zero cost transactions. Debits include the amounts of increases in unfunded costs. Credits include the amounts of decreases in unfunded costs. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 5610 to obtain the total charges/changes to Unfunded Current Year Costs.

- (1) Account 5630, Unfunded Costs, Closings of Current Year Costs to Fixed Assets in Progress.
- (2) Account 5650, Unfunded Costs, Closings of Current Year Costs to Contract Work in Process.

The balance of account 5610, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post-closing trial balance. This account is maintained by appropriation symbol.

5620

## Unfunded Costs, Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to unfunded fixed assets in progress. Debits include the costs incurred on a monthly basis. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in the account as unfunded fixed assets in progress. The capitalized portion of the amounts reversed is debited to account 15XX, Fixed Assets Government-Owned/Held, with the non-capitalized portion being debited to either account 5630, Unfunded Costs, Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate.



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5630

## Unfunded Costs, Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to unfunded costs, closings of current year costs to unfunded costs, fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of unfunded current year costs of fixed assets in progress to account 5620 Unfunded Costs, Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 5620. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5610. This account is maintained by appropriation symbol.

5640

## Unfunded Costs, Contract Work in Process

This is debit balance account maintained to accumulate costs related to unfunded Contract Work in Process, whether or not the costs are to be expensed or capitalized. Debits include the amount of costs incurred on a monthly basis for contractor facilities in progress. Credits are made at the time the Work in Process is completed and capitalized, and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in the account as Unfunded Costs, Contract Work in Process. The capitalized portion of the reversal is debited to account 1600, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 5650, Unfunded Costs, Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment, Prior Years, as appropriate.

5650

## Unfunded Costs, Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate cost on a current basis related to unfunded costs, closings of current year costs to unfunded costs, Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year cost of Contract Work in Process to account 5640 Unfunded Costs, Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 5640. At the fiscal year-end after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 5610. This account is maintained by appropriation symbol.



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5660

## Statistical Reimbursable Costs

This is a debit balance account maintained to accumulate reimbursable costs associated to Headquarters overhead, contract administration, and depreciation/use charges. Debits include the amount of costs incurred on a monthly basis. The balance of this account is closed at the end of each fiscal year. This account is maintained by appropriation symbol.

5670

## Statistical Reimbursable Costs Applied

This is a credit balance account maintained as a contra entry to account 5660. Credits include the amount of costs incurred on a monthly basis. The balance of this account is closed at the end of the fiscal year. This account is maintained by appropriation symbol.

5700

## Trust Fund Current Year Costs

This is a debit balance account maintained to reflect the cost of all property and services procured for the trust funds. Credits include the amounts of refunds during the fiscal year. The balance of this account will be transferred to account 3720, Trust Fund Capital, at fiscal year-end. This account is maintained by appropriation symbol.

5810

## R&D Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an R&D appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5820

## C of F Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an C of F appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.



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5830

## R&PM Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an R&PM appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5840

## SFCDC Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an SFCDC appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5850

## OIG Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of the OIG appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5860

## SAT Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an SAT appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5870

## HSF Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an HSF appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.



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5880

## MS Interest Expense

This is a debit balance account maintained to reflect the amount of interest paid by NASA Centers out of an MS appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5890

## NAF Interest Expense

This is a debit balance maintained to reflect the amount of interest paid by NASA Centers out of the National Aeronautics Facilities appropriation for the late payment of amounts owed. Debits include the amounts of payments made during the current fiscal year. The balance of this account will be transferred to equity at fiscal year-end. This account is maintained by appropriation symbol.

5910

## GSA Building Delegation Program

This is a debit balance account maintained to reflect real property operations costs incurred by NASA in administering the GSA Building Delegation funds transferred to NASA on an annual basis. The balance of this account is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbols.

7110

## SAT Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Science, Aeronautics and Technology (SAT) appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 7110.



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- (1) Account 7130, SAT Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 7150, SAT Closings of Current Year Costs to Contract Work in Process
- (3) Account 7160, SAT Current Year Changes in Contractor-Held Inventories
- (4) Account 7170, SAT Current Year Changes in Contractor-Held Special Test Equipment
- (5) Account 7180, SAT Current Year Changes in Contractor-Held Agency-Peculiar Property
- (6) Account 7190, SAT Current Year Changes in Contractor-Held Special Tooling

The balance of account 7110, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.

## 7120 SAT Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to SAT fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for SAT Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as SAT Fixed Assets in Progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 7130, SAT Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

## 7130 SAT Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to SAT closings of current year costs to SAT fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of SAT current year costs of fixed assets in progress to account 7120 SAT Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 7120. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7110. This account is maintained by appropriation symbol.



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7140

## SAT Contract Work in Process

This is a debit balance account maintained to accumulate costs related to SAT contractor facilities in progress, whether or not the costs are to be expenses or capitalized. Debits include the amount of costs incurred on a monthly basis for contractor or recipient facilities in progress. Credits are made at the time the facilities in progress are completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as SAT Contract Work in Process. The capitalized portion of the reversal is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 7150, SAT Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment Prior Years, as appropriate. This account is maintained by appropriation symbol.

7150

## SAT Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to SAT closings of current year costs to SAT Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contract Work in Process to account 7140 SAT Contract Work in Progress. Debits include the monthly transfer of current year non-capital costs from account 7140. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7110. This account is maintained by appropriation symbol.

7160

## SAT Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by SAT funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018, reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1300, Inventories, Government-Owned/Contractor-Held. At the end of the fiscal year, after the pre-closing trial balances and before the post closing trial balances, the balance of this account is transferred to account 7110, SAT Current Year Costs. This account is maintained by appropriation symbol.



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- 7170 SAT Current Year Changes in Contractor-Held Special Test Equipment
- This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are SAT funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 7110, SAT Current Year Costs. This account is maintained by appropriation symbol.
- 7180 SAT Current Year Changes in Contract Agency-Peculiar Property
- This is a debit or credit balance account maintained to accumulate costs relating to Agency-Peculiar Property who are SAT funded. Credits include amounts of increases in Agency-Peculiar Property. Debits include amounts of decreases in Agency-Peculiar Property. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1980, Contractor-Held Agency-Peculiar Property. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7110, SAT Current Year Costs. This account is maintained by appropriation symbol.
- 7190 SAT Current Year Changes in Contractor-Held Special Tooling
- This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are SAT funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7110, SAT Current Year Costs. This account is maintained by appropriation symbol.



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7210

## HSF Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Human Space Flight (HSF) appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 7210.

- (1) Account 7230, HSF Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 7250, HSF Closings of Current Year Costs to Contract Work in Progress
- (3) Account 7260, HSF Current Year Changes in Contractor-Held Inventories
- (4) Account 7270, HSF Current Year Changes in Contractor-Held Special Test Equipment
- (5) Account 7280, HSF Current Year Changes in Contractor-Held Agency-Peculiar Property
- (6) Account 7290, HSF Current Year Changes in Contractor-Held Special Tooling

The balance of account 7210, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.

7220

## HSF Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to HSF fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for HSF Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as HSF Fixed Assets in Progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 7230, HSF Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.



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7230

## HSF Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to HSF closings of current year costs to HSF fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of HSF current year costs of fixed assets in progress to account 7220 HSF Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 7220. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7210. This account is maintained by appropriation symbol.

7240

## HSF Contract Work in Process

This is a debit balance account maintained to accumulate costs related to HSF Contract Work in Process, whether or not the costs are to be expenses or capitalized. Debits include the amount of costs incurred on a monthly basis for Contract or Recipient Work in Process. Credits are made at the time the facilities in progress are completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as HSF Contract Work in Process. The capitalized portion of the reversal is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 7250, HSF Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment Prior Years, as appropriate. This account is maintained by appropriation symbol.

7250

## HSF Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to HSF closings of current year costs to HSF Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contract Work in Process to account 7240 HSF Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 7240. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7210. This account is maintained by appropriation symbol.



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7260

## HSF Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by HSF funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018, reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1300, Inventories, Government-Owned/Contractor-Held. At the end of the fiscal year, after the pre-closing trial balances and before the post closing trial balances, the balance of this account is transferred to account 7210, HSF Current Year Costs. This account is maintained by appropriation symbol.

7270

## HSF Current Year Changes in Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are HSF funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 7210, HSF Current Year Costs. This account is maintained by appropriation symbol.

7280

## HSF Current Year Changes in Contractor-Held Agency-Peculiar Property

This is a debit or credit balance account maintained to accumulate costs relating to Agency-Peculiar Property who are HSF funded. Credits include amounts of increases in Agency-Peculiar Property held by contractors. Debits include amounts of decreases in Agency-Peculiar Property held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1980, Contractor-Held Agency-Peculiar Property. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7210, HSF Current Year Costs. This account is maintained by appropriation symbol.



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7290

## HSF Current Year Changes in Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are HSF funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7210, HSF Current Year Costs. This account is maintained by appropriation symbol.

7310

## MS Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the Mission Support (MS) appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 7310.

- (1) Account 7330, MS Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 7350, MS Closings of Current Year Costs to Contract Work in Process
- (3) Account 7360, MS Current Year Changes in Contractor-Held Inventories
- (4) Account 7370, MS Current Year Changes in Contractor-Held Special Test Equipment
- (5) Account 7380, MS Current Year Changes in Contractor-Held Agency-Peculiar Property
- (6) Account 7390, MS Current Year Changes in Contractor-Held Special Tooling

The balance of account 7310, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trial balance. This account is maintained by appropriation symbol.



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7320

## MS Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to MS fixed assets in progress. Debits include the amount of costs incurred on a monthly basis for MS Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized and include the reversal of amounts previously recorded in this account as MS Fixed Assets in Progress. The capitalized portion of the reversal is debited to account 15XX, Fixed Assets, Government-Owned/Held, with the non-capitalized portion being debited to either account 7330, MS Closings of Current Year Costs to Fixed Assets in Progress, or account 3850, Property Adjustments, Prior Years, as appropriate. This account is maintained by appropriation symbol.

7330

## MS Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to MS closings of current year costs to MS fixed assets in progress, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of MS current year costs of fixed assets in progress to account 7320 MS Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 7320. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7310. This account is maintained by appropriation symbol.

7340

## MS Contract Work in Process

This is a debit balance account maintained to accumulate costs related to MS Contract Work in Process, whether or not the costs are to be expenses or capitalized. Debits include the amount of costs incurred on a monthly basis for Contract or Recipient Work in Process. Credits are made at the time the Work in Process is completed and capitalized and include the reversal of amounts pertaining to the capitalized assets that were previously recorded in this account as MS Contract Work in Process. The capitalized portion of the reversal is debited to account 16XX, Contractor-Held Facilities, or account 1700, Fixed Assets, Grants and Cooperative Agreements, with the non-capitalized portion being debited to either account 7350, MS Closings of Current Year Costs to Contract Work in Process, or account 3850, Property Adjustment Prior Years, as appropriate. This account is maintained by appropriation symbol.



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7350

## MS Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to MS closings of current year costs to MS Contract Work in Process, whether or not the costs are to be expensed or capitalized. Credits include the monthly transfer of current year costs of Contract Work in Process to account 7340 MS Contract Work in Process. Debits include the monthly transfer of current year non-capital costs from account 7340. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7310. This account is maintained by appropriation symbol.

7360

## MS Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by MS funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. The amounts to be recorded will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018, reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1300, Inventories, Government-Owned/Contractor-Held. At the end of the fiscal year, after the pre-closing trial balances and before the post closing trial balances, the balance of this account is transferred to account 7310, MS Current Year Costs. This account is maintained by appropriation symbol.

7370

## MS Current Year Changes in Contractor-Held Special Test Equipment

This is a debit or credit balance account maintained to accumulate costs relating to special test equipment held by contractors who are MS funded. Credits include amounts of increases in special test equipment held by contractors. Debits include amounts of decreases in special test equipment held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in the account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1970, Contractor-Held Special Test Equipment. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance to this account is transferred to account 7310, MS Current Year Costs. This account is maintained by appropriation symbol.



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7380

## MS Current Year Changes in Contractor-Held Agency-Peculiar Property

This is a debit or credit balance account maintained to accumulate costs relating to Agency-Peculiar Property held by contractors who are MS funded. Credits include amounts of increases in Agency-Peculiar Property held by contractors. Debits include amounts of decreases in Agency-Peculiar Property held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted, as appropriate. The offset entry to this account is recorded against account 1980, Contractor-Held Agency-Peculiar Property. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7310, MS Current Year Costs. This account is maintained by appropriation symbol.

7390

## MS Current Year Changes in Contractor-Held Special Tooling

This is a debit or credit balance account maintained to accumulate costs relating to special tooling held by contractors who are MS funded. Credits include amounts of increases in special tooling held by contractors. Debits include amounts of decreases in special tooling held by contractors. Upon receipt of the NASA Form 1018 reports from contractors, increases or decreases in amounts recorded in this account will be adjusted as appropriate. The offset entry to this account is recorded against account 1960, Contractor-Held Special Tooling. At the end of the fiscal year, after the pre-closing trial balance and before the post-closing trial balance, the balance of this account is transferred to account 7310, MS Current Year Costs. This account is maintained by appropriation symbol.

7410

## NAF Current Year Costs

This is a debit balance account maintained to reflect costs pertaining to the National Aeronautics Facilities appropriation. Debits include the amounts of costs incurred during the fiscal year. Credits include the amounts of refunds during the fiscal year. The balance of account 7410 is transferred to equity preceding the submission of the post closing trial balance. At fiscal year-end, after the pre-closing trial balance and before the post-closing trial balance, the balances of the following accounts are transferred to account 7410.



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- (1) Account 7430, NAF Closings of Current Year Costs to Fixed Assets in Progress
- (2) Account 7450, NAF Closings of Current Year Costs to Contract Work in Process
- (3) Account 7460, NAF Current Year Changes in Contractor-Held Inventories
- (4) Account 7470, NAF Current Year Changes in Contractor-Held Special Test Equipment
- (5) Account 7480, NAF Current Year Changes in Contractor-Held Agency-Peculiar Property
- (6) Account 7490, NAF Current Year Changes in Contractor-Held Special Tooling

The balance of account 7410, reflected after the above transfers are posted, is transferred to equity preceding the submission of the post closing trail balance. This account is maintained by appropriation symbol.

## 7420 NAF Fixed Assets in Progress

This is a debit balance account maintained to accumulate costs related to National Aeronautics Facilities Fixed Assets in Progress. Debits include the amount of costs incurred on a monthly basis for NAF Fixed Assets in Progress. Credits are made at the time the fixed assets in progress are completed and capitalized, and include the reversal of amounts previously recorded in this account as NAF Fixed Assets in Progress. This account is maintained by appropriation symbol.

## 7430 NAF Closings of Current Year Costs to Fixed Assets in Progress

This is a credit balance account maintained to accumulate costs on a current basis related to National Aeronautics Facilities Closings of current year costs to NAF fixed assets in progress. Credits include the monthly transfer of NAF current year costs of fixed assets in progress to account 7420 NAF Fixed Assets in Progress. Debits include the monthly transfer of current year non-capital costs from account 7420. At fiscal year-end the balance of this account is transferred to account 7410. This account is maintained by appropriation symbol.



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7440

## NAF Contract Work in Process

This is a debit balance account maintained to accumulate costs related to National Aeronautics Facilities Contract Work in Process. Debits include the amounts of costs incurred on a monthly basis for Contract or Recipient Work in Process. Credits are made at the time the Work in Process is completed and capitalized, and include the reversal of amounts pertaining to the capitalized assets that was previously recorded in this account as NAF Contract Work in Process. This account is maintained by appropriation symbol.

7450

## NAF Closings of Current Year Costs to Contract Work in Process

This is a credit balance account maintained to accumulate costs on a current basis related to National Aeronautics Facilities closings of current year costs to NAF contractor facilities in progress. Credits include the monthly transfer of current year costs of contractor-held facilities in progress to account 7440 NAF Contract Work in Process. At fiscal year-end the balance of this account is transferred to account 7410. This account is maintained by appropriation symbol.

7460

## NAF Current Year Changes in Contractor-Held Inventories

This is a debit or credit balance account maintained to record the amount of current year changes in inventories held by National Aeronautics Facilities funded contractors. Credits include increases in such inventories, and debits include decreases in such inventories. At the end of the fiscal year, the balance of this account is transferred to account 7410, NAF Current Year Costs. This account is maintained by appropriation symbol.



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## STATISTICAL

### 6110 CSRS, Reciprocal Account - Office of Personnel Management

This is a debit balance account maintained to reflect the cumulative amount of CSRS retirement deductions, military service credit deductions and/or cash payments and civilian service credit deductions of current NASA employees. Debits include CSRS retirement deductions made each pay period, deductions and/or cash payments for military service credits, and deductions from salaries of reemployed annuitants for civilian service credit.

Debits also include cumulative NASA CSRS retirement deductions, military service credit deductions and/or cash payments, and civilian service credit deductions for employees transferred in from another NASA Center. Credits include all cumulative amounts reported on SF 2807's, Register of Separations and Transfers, submitted to OPM or other NASA Centers.

### 6120 CSRS Retirement Deductions and Deposits - Prior Periods (includes Civilian Service Credits and Military Service Credits)

This is a credit balance account maintained to reflect the amount of the prior calendar year CSRS retirement deductions, military service credit deductions and/or cash payments, and civilian service credit deductions related to current NASA employees. Also includes the cumulative amounts of NASA CSRS retirement deductions, military service credit deductions and/or cash payments, and civilian service credit deductions for employees transferred in from other NASA Centers. Credits include the cumulative CSRS retirement deductions, military service credit deductions and/or cash payments, and civilian service credit deductions of employees who transfer in from other NASA Centers and the balance of current year deductions transferred from accounts 6130, 6140, 6150 and 6160 at the end of the calendar year. Credits also include the current year-to-date deductions for employees who transfer out or are separated. Debits include all cumulative amounts of employees who transferred out or separated as reported on SF 2807's, Register of Separations and Transfers, submitted to OPM or other NASA Centers.



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6130

## CSRS Retirement Deductions, Current Calendar Year

This is a credit balance account maintained to reflect the amounts of current calendar year CSRS retirement deductions from the salary of employees hired prior to calendar year 1984. Credits include the amount of CSRS retirement deductions made each pay period. Debits include the current year-to-date amounts withheld from separated or transferred employees as reported on SF 2807's, Register of Separations and Transfers, submitted to OPM or other NASA Centers. Debits also occur when the balance of the account is transferred to account 6120, CSRS Retirement Deductions, Prior Periods, at the end of the calendar year.

6140

## CSRS Retirement Deductions for Partial CSR Employees-Current Calendar Year

This is a credit balance account maintained to reflect the amount of current calendar year CSRS retirement deductions withheld from the salary of employees subject to the Federal Employees' Retirement System Act of 1986, P.L. 99-335. Credits include the amount of deductions made each pay period. Debits include the current year-to-date amounts deducted from separated or transferred employees as reported on SF 2807's, Register of Separations and Transfers, submitted to OPM or other NASA Centers. Debits also occur when the balance of the account is transferred to account 6120, CSRS Retirement Deductions and Deposits, Prior Periods, at the end of the calendar year.

6150

## CSRS Military Service Credit Deposits - Current Calendar Year

This is a credit balance account maintained to reflect the amount of current calendar year CSRS military service credit deductions and/or cash payments. Credits include the amount of military service credit deductions made and/or cash payments received each pay period. Debits include the current year-to-date amounts of deductions and/or cash payments from separated or transferred employees as reported on SF 2807's, Register of Separations and Transfers, submitted to OPM of other NASA Centers. Debits also occur when the balance of the account is transferred to account 6120, CSRS Retirement Deductions and Deposits, Prior Periods, at the end of the calendar year.



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6160

## CSRS Civilian Service Credit Deductions - Current Calendar Year

This is a credit balance account maintained to reflect the amount of current calendar year CSRS civilian service credit deductions withheld from the salary of reemployed annuitants. Credits include the amount of CSRS civilian service credit deductions made each pay period. Debits include the current year-to-date amounts deducted from separated or transferred employees as reported on SF 2807's, Register of Separations and Transfers, submitted to OPM or other NASA Centers. Debits also occur when the balance of the account is transferred to account 6120, CSRS Retirement Deductions and Deposits, Prior Periods, at the end of the calendar year.

6210

## General Fund Receipts Deposited

This is a debit balance account maintained to reflect the amounts of miscellaneous receipts deposited in the U.S. Treasury during the current fiscal year. Debits include amounts of receipts deposited into the U.S. Treasury. Credits occur when the balance of the account is transferred to account 3770, Cumulative Results of Operations/Non-Entity, at the end of each fiscal year. This account is maintained by miscellaneous receipt symbol.

6220

## Special Fund Receipts Deposited

This is a debit balance account maintained to reflect the amounts of special fund receipts deposited in the U.S. Treasury during the current fiscal year. Debits include amounts of receipts deposited into the U.S. Treasury. Credits occur when the balance of the account 3770, Cumulative Results of Operations/Non-Entity, at the end of each fiscal year. This account is maintained by special fund receipt symbol.

6310

## Uncollectable Receivables

This is a debit balance account maintained to reflect the amount of accounts receivable determined to be uncollectable and written-off the records during the fiscal year. Debits include amounts determined to be uncollectable. The account is credited at the end of the fiscal year to transfer the balance to account 3740, Cumulative Results of Operations, for the amounts in account 6310 related to the write-off of uncollectable receivables from accounts 1130, 1140 and 1180. The account is also credited at the end of the fiscal year to transfer the balance to account 3770, Cumulative Results of Operations/Non-Entity, for the amounts in account 6310 related to the write-off of uncollectable receivables from account 1150. This account is maintained by appropriation and miscellaneous receipt symbol.



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6320

## Uncollectable Reimbursable Receivables

This is a debit balance account maintained to reflect the amount of reimbursable accounts receivable determined to be uncollectable and written-off the records during the fiscal year. Debits include amounts determined uncollectable and charged off. The balance of the account is transferred to equity at fiscal year-end. This account is maintained by appropriation and miscellaneous receipt symbol, and should be closed to account 3740 in the post closing general ledger.

6410

## FERS Reciprocal Account - Office of Personnel Management

This is a debit balance account maintained to reflect the amount of prior calendar year FERS retirement deductions and FERS military service credit deductions and/or cash payments of current NASA employees. Debits include FERS retirement deductions made each pay period and deductions and/or cash payments for military service credit. Credits include all cumulative amounts reported on SF 3103's Register of Separations submitted to OPM.

6420

## FERS Retirement Deductions and Deposits - Prior Periods

This is a credit balance account maintained to reflect the amount of prior calendar year FERS retirement deductions and FERS military service credit deductions and/or cash payments of current NASA employees. Credits include the amounts transferred to this account from accounts 6430, FERS Retirement Deductions - Current Calendar Year and 6440, FERS Military Service Credit Deposits - Current Year, at the end of each calendar year. Debits include all cumulative amounts reported on SF 3103's Register of Separations submitted to OPM.

6430

## FERS Retirement Deductions - Current Calendar Year

This is a credit balance account maintained to reflect the amount of current calendar year FERS retirement deductions of current NASA employees. Credits include the amount of FERS retirement deductions made each pay period. Debits include the current year-to-date amounts deducted from separated employees as reported on SF 3103's, Register of Separations, submitted to OPM. Debits also occur when the balance of this account is transferred to account 6420, FERS Retirement Deductions and Deposits - Prior Periods, at the end of the calendar year.



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6440

## FERS Military Service Credit Deposits - Current Calendar Year

This is a credit balance account maintained to reflect the amount of current calendar year FERS military service credit deductions and/or cash payments for employees covered by the FERS program. Credits include the amount of FERS military service credit deductions made and/or cash payments received each pay period. Debits include the current year-to-date amounts of deductions and/or cash payments from separated employees as reported on SF 3103's, Register of Separations submitted to OPM. Debits also occur when the balance of the account is transferred to account 6420, FERS Retirement Deductions and Deposits - Prior Periods, at the end of the calendar year.

### **9221-11 PRO-FORMA ENTRIES - CENTER GENERAL LEDGER ACCOUNTS**

The following pro-forma entries illustrate the posting of typical financial transactions to the Field Centers' general ledger accounts. The entries are not intended to be all inclusive and some transactions can occur that are not listed.

#### **a. Categorization of Pro-Forma Entries:**

- (1) Basic pro-forma entries for recording allotment authorization (504), resources authority (506), reimbursable orders accepted, commitments, obligations, costs and disbursements.  
Entries 1 thru 8.
- (2) Reimbursable pro-forma entries for recording advances, reimbursements earned, bills, collections and transfers of statistical accounts to Headquarters.  
Entries 1(b), 2, 4, 9 thru 13.
- (3) Entries for available funds, advances, and prepayments pertaining to imprest funds, letter of credit, and deposits with others.  
Entries 14 thru 21.
- (4) Receivables and collections.  
Entries 22 thru 27.
- (5) Payroll statistical entries.  
Entries 28 thru 33.
- (6) Property entries:
  - (a) Government-Owned/Held  
Entries 34 thru 38
  - (b) Government-Owned/Contractor-Held  
Entries 39 thru 45



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- (c) Inventories  
Entries 46, 47, 48
- (d) Excessed  
Entries 49, 50
- (e) Trade-in  
Entries 51, 52
- (f) Retired  
Entry 53
- (g) Sale  
Entries 54, 55, 56
- (h) Transferred  
Entries 57, 58, 59
- (i) Donations  
Entry 60
- (j) Capitalized Leases  
Entry 61
- (k) Direct Delivery of Equipment  
Entry 62
- (7) Returnable Container Deposits  
Entry 63
- (8) Trust Funds  
Entries 64, 65, 66
- (9) Fiscal Year-end Closing  
Entries 67 thru 83

## **b. Pro-Forma Entries by Categories:**

### ***Basic Fund Accounting***

- (1) Allotment Authorization (504) Is Received
  - (a) Appropriated Funds
    - Dr: 1010 Appropriated Funds with U.S. Treasury
    - Cr: 3230 Uncommitted/Unobligated Allotments
  - (b) Estimated Reimbursements
    - Dr: 3210 Reimbursable Disbursing Authority Uncollected
    - Cr: 3220 Reserve for Receipt of Reimbursable Orders



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- (2) Resources Authority (506) Is Received From Headquarters for Either Appropriated Funds or Reimbursable Activity
  - Dr: 3610 Resources Authorization Received From Headquarters
  - Cr: 3640 Net Resources Authorization
- (3) Resources Authority (506) Subauthorized Between NASA Centers for Either Appropriated Funds or Reimbursable Activity
  - (a) Transferring Center
    - Dr: 3640 Net Resources Authorization
    - Cr: 3630 Resources Authorization Issued to to Other Centers
  - (b) Receiving Center
    - Dr: 3620 Resources Authorization Received from Other Centers
    - Cr: 3640 Net Resources Authorization
- (4) Reimbursable Orders Accepted and Resources Authority Has Been Received
  - Dr: 3220 Reserve for Receipt of Reimbursable Orders
  - Cr: 3230 Uncommitted/Unobligated Allotments
  - Dr: 341 Unfilled Reimbursable Orders
  - Cr: 3450 Reimbursable Orders Outstanding
- (5) Commitments Recorded
  - Dr: 3230 Uncommitted/Unobligated Allotments
  - Cr: 3240 Unobligated Commitments
- (6) Obligations Recorded
  - (a) Previously Committed
    - Dr: 3240 Unobligated Commitments
    - Cr: 3250 Unliquidated Obligations
  - (b) Not Previously Committed
    - Dr: 3230 Uncommitted/Unobligated Allotment
    - Cr: 3250 Unliquidated Obligations
- (7) Accrued Liabilities
  - (a) Recorded as Costs
    - Dr: 5110 R&D Current Year Costs
    - Dr: 5210 C of F Current Year Costs
    - Dr: 5310 R&PM Current Year Costs
    - Dr: 5410 SFCDC Current Year Costs
    - Dr: 5510 OIG Current Year Costs
    - Cr: 2010 Accounts Payable to Government Agencies



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Cr: 2020 Accounts Payable to Others

Cr: 2030 Contract Holdbacks

(b) Not Recorded as Costs (993, 994, & 998 Carrier Accounts)

Dr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Dr: 1230 Inventories, Program Stock, Government-Owned/Held

Cr: 2040 Accounts Payable to Government Agencies Funded From  
Carrier Accounts 993, 994, or 998

Cr: 2050 Accounts Payable to Others Funded from Carrier Accounts  
993, 994, or 998

Cr: 2070 Contract Holdbacks Funded From Carrier Accounts 993,  
994, or 998

(8) Disbursements Recorded

(a) Previously Costed and Obligated

Dr: 20X0 Accounts Payable

Cr: 1010 Appropriated Funds with U.S. Treasury

Dr: 3250 Unliquidated Obligations

Cr: 3260 Disbursed Appropriation

(b) Previously Obligated But Not Costed

Dr: 5X10 Current Year Costs

Cr: 1010 Appropriated Funds with U.S. Treasury

Dr: 3250 Unliquidated Obligations

Cr: 3260 Disbursed Appropriations

(c) Has Not Been Committed, Obligated, or Costed

Dr: 5X10 Current Year Costs

Cr: 1010 Appropriated Funds with U.S. Treasury

Dr: 3230 Uncommitted/Unobligated Allotments

Cr: 3260 Disbursed Appropriations

## ***Reimbursable Pro-Forma Entries***

(9) Receipt of Advance Payment

Dr: 1040 Deposit Funds with Disbursing Officer

Cr: 2210 Liability for Deposit Funds

(10) Reimbursement Earned (Cost Recorded From Disbursement or Accrual)

Dr: 3420 Reimbursement Earned, Unbilled

Cr: 3410 Unfilled Reimbursable Orders

Dr: 1190 Accounts Receivable, Unbilled

Cr: 4120 Revenues, Appropriations



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## (11) Bill Rendered

### (a) Entry for Costs Recorded

Dr: 1110 Accounts Receivable, Reimbursements, Government

Dr: 1120 Accounts Receivable, Reimbursements, Other

Cr: 1190 Accounts Receivable, Unbilled

Dr: 3430 Reimbursement Earned, Uncollected

Cr: 3420 Reimbursement Earned, Unbilled

### (b) Entry for Reimbursable Statistical Costs

Dr: 1170 Accounts Receivable, Reimbursements, Statistical

Cr 2250 Reserve for Statistical Reimbursables, Costs

Dr: 5660 Statistical Reimbursable Costs

Cr: 5670 Statistical Reimbursable Costs Applied

## (12) Collection of Reimbursable Bill

### (a) Entry for Costs Recorded

Dr: 1010 Appropriated Funds with U.S. Treasury

Cr: 1110 Accounts Receivable, Reimbursements, Government

Cr: 1120 Accounts Receivable Reimbursement, Other

Dr: 3440 Reimbursements to Appropriations

Cr: 3430 Reimbursements Earned, Uncollected

Dr: 3450 Reimbursable Orders Outstanding

Cr: 3210 Reimbursable Disbursing Authority Uncollected

### (b) Advance Payment Transferred to the Appropriation Where Costs were Recorded and Bill is Collected

Dr: 2210 Liability for Deposit Funds

Cr: 1040 Deposit Funds With Disbursing Officer

### (c) Entry for Statistical Costs Collected that were not Previously Received as an Advance Payment

Dr: 1040 Deposit Funds with Disbursing Officer

Cr: 2210 Liability for Deposit Funds

Dr: 2250 Reserve for Reimbursable Costs

Cr: 1170 Accounts Receivable, Reimbursable, Statistical

## (13) Statistical Reimbursable Charges Transferred to Headquarters

### (a) Deposit Account - This is done on August 15 and includes all amounts billed whether or not they are collected.

Dr: 2250 Reserve for Reimbursable Costs

Cr: 1170 Accounts Receivable, Reimbursement Statistical



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- (b) Center Agreements for which a Bill has been Submitted for Statistical Costs and has been Collected and Deposited by the Center. Done Quarterly.

Dr: 2210 Liability for Deposit Funds

Cr: 1040 Deposit Funds with Disbursing Officer

## ***Imprest Funds, Letter of Credit, and Deposits with Others***

### (14) Imprest Fund

- (a) Imprest Fund Established or Increased at each Center

Dr: 1030 Imprest Funds with Cashier (Subsidiary)

Cr: 2220 Liability for Imprest Fund Advances

- (b) Imprest Fund Decreased

Dr: 2220 Liability for Imprest Fund

Cr: 1030 Imprest Fund with Cashier (Subsidiary)

### (15) Letter of Credit Issued or Increased

Dr: 1050 Letter of Credit Authority Outstanding

Cr: 1010 Appropriated Funds With U.S. Treasury

### (16) Receipt of Notification of Advances Under Letter of Credit

Dr: 1440 Advances to Recipient Organization Under Letter of Credit

Cr: 1050 Letter of Credit Authority Outstanding

### (17) Letter of Credit Disbursements Recorded Based on Funds Expended as Reported on the Federal Cash Transactions Report (Standard Form 272)

Dr: 5X10 Current Year Costs

Cr: 1440 Advances to Recipient Organizations Under Letter of Credit

Dr: 3250 Unliquidated Obligations

Cr: 3260 Disbursed Appropriation

### (18) Other Advances and Prepayments

Dr: 1410 Advances to Travelers

Dr: 1420 Prepayments to Government Agencies

Dr: 1430 Advances to Grantees and Contractors

Dr: 1490 Advances, Other

Cr: 1010 Appropriated Funds with U.S. Treasury

### (19) Grantees' and Contractors' Advances Disbursed Based on Federal Cash Transaction Report (Standard Form 272)

Dr: 5X10 Current Year Costs

Cr: 1430 Advances to Grantees and Contractors



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Dr: 3250 Unliquidated Obligations  
Cr: 3260 Disbursed Appropriations

(20) Advances and Prepayments Expended and Recorded as a Disbursement

Dr: 5X10 Current Year Costs  
Cr: 1410 Advances to Travelers  
Cr: 1420 Prepayments to Government Agencies  
Cr: 1490 Advances, Other

Dr: 3250 Unliquidated Obligations  
Cr: 3260 Disbursed Appropriations

(21) Depositing of Monies Bequeathed to NASA

(a) Deposit of Funds to the Bank

Dr: 1060 Deposit With Others  
Cr: 2260 Liability for Deposits With Others

(b) Interest Earned and Posted to Bank Account

Dr: 1060 Deposits With Others  
Cr: 2260 Liability for Deposits With Others

(c) Withdrawal Made by the Trustee of the Account

Dr: 2260 Liability for Deposits With Others  
Cr: 1060 Deposits With Others

## ***Receivables and Collections***

(22) Receivables Set Up

(a) Reimbursement to Appropriation

Dr: 1110 Accounts Receivable, Reimbursements, Government  
Dr: 1120 Accounts Receivable, Reimbursements, Other  
Cr: 4120 Revenues, Appropriations

Dr: 3430 Reimbursements Earned, Uncollected  
Cr: 3420 Reimbursements Earned, Unbilled

(b) Refunds to Appropriations

Dr: 1130 Accounts Receivable, Refunds, Government  
Dr: 1140 Accounts Receivable, Refunds, Other  
Cr: 5X10 Current Year Costs

(c) Amounts Billed but not Collected Due to an Authorized Customer  
Deferred Payment Agreement with NASA

Dr: 1160 Accounts Receivable, Investment Interest



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Cr: 2240 Other Deferred Credits

(d) Miscellaneous Receipts or Special Fund Receipts

Dr: 1150 Accounts Receivable, Other

Cr: 4110 Revenues, Miscellaneous Receipts

Cr: 4130 Revenues, Special Fund Receipts

(e) Check is Recertified by the Financial Management Officer

Dr: 1080 Recertified Checks Issued

Cr: 1010 Appropriated Funds With the U.S. Treasury

Dr: 1180 Accounts Receivable Refunds, Recertified Checks

Cr: 2280 Liability for Recertified Checks

(23) Receivables Written-off as Uncollectable or Transferred to Another Agency for Collection

Dr: 6310 Uncollectable Receivables

Cr: 11X0 Accounts Receivable

(24) Check Returned by Payee; Collection Received from Treasury via 1081 Credit to 80F3880; or Check Written-Off as Lost (Not Presented to Treasury)

Dr: 1010 Appropriated Funds With the U.S. Treasury

Cr: 1080 Recertified Checks Issued

Dr: 2280 Liability for Recertified Checks

Cr: 1180 Accounts Receivable, Recertified Checks

(25) Account Receivable Written-Off as Uncollectable on Recertified Checks

Dr: 6310 Uncollectable Receivables

Cr: 1080 Recertified Check Issued

Dr: 2280 Liability for Recertified Checks

Cr: 1180 Accounts Receivable, Recertified Checks

Dr: 3230 Uncommitted/Unobligated Allotments

Cr: 3260 Disbursed Appropriations

## ***Payroll***

(26) Retirement Deductions Each Pay Period

(a) CSRS

Dr: 6110 CSRS, Reciprocal Account, Office of Personnel Management

Cr: 6130 Retirement Deductions, Current Calendar Year

(b) FERS

Dr: 6410 FERS Reciprocal Account, Office of Personnel Management



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Cr: 6430 FERS Retirement Deductions, Current Calendar Year

(27) Transfer of Retirement Deductions at the End of Calendar Year

(a) CSRS

Dr: 6130 Retirement Deductions, Current Calendar Year

Cr: 6120 Retirement Deductions, Prior Years

(b) FERS

Dr: 6430 FERS Retirement Deductions, Current Calendar Year

Cr: 6420 FERS Retirement Deductions and Deposits, Prior Periods

(28) Retirement Deductions of Employees Transferred in From Another NASA Center

(a) CSRS

Dr: 6110 Retirement, Reciprocal Account, Office of Personnel Management

Cr: 6120 Retirement Deductions, Prior Years

(b) FERS

Dr: 6410 FERS Reciprocal Account, Office of Personnel Management

Cr: 6420 FERS Retirement Deductions and Deposits, Prior Periods

(29) Retirement Deductions of Employees Separated From a NASA Center

(a) CSRS

Dr: 6130 Retirement Deductions, Current Calendar Year

Cr: 6120 Retirement Deductions, Prior Years

Dr: 6120 Retirement Deductions, Prior Years

Cr: 6110 Retirement Deductions, Reciprocal Account, Office of Personnel Management

(b) FERS

Dr: 6430 FERS Retirement Deductions, Current Calendar Years

Cr: 6420 FERS Retirement Deductions and Deposits, Prior Years

Dr: 6420 FERS Retirement Deductions and Deposits Prior Periods

Cr: 6410 FERS Reciprocal Account, Office of Personnel Management

(30) Payroll Deductions Withheld or Cash Payments Made

(a) Payroll Deductions Covering Amount for Bond, Federal Income Taxes and FICA

Dr: 1040 Deposit Funds With Disbursing Officer



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Cr: 2210 Liability for Deposit Funds

- (b) Cash Payments Made by Employees for Benefits in Lieu of Payroll Deductions

Dr: 1040 Deposit Funds With Disbursing Officer

Cr: 2210 Liability for Deposit Funds

- (31) Recording of an Increase or Decrease in Liability for Accrued Annual Leave at Fiscal Year-end

- (a) Increase in Liability

Dr: 5610 Unfunded Costs

Cr: 2230 Liability for Accrued Annual Leave

- (b) Decrease in Liability

Dr: 2230 Liability for Accrued Annual Leave

Cr: 5610 Unfunded Costs

## ***Government-Owned/Held Property***

- (32) Government-Owned/Held Real and Personal Property (Fixed Assets) in Progress (Monthly)

Dr: 5X20 or 7X20 Fixed Assets in Progress

Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

- (33) Capitalization of Fixed Assets Government-Owned/Held and Transfer of Non-Capital Costs (Monthly)

- (a) Previously Recorded as Work in Progress

Dr: 1511 Land-Government-Owned/Held

Dr: 1521 Buildings-Government-Owned/Held

Dr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr: 1541 Leasehold Improvements-Government-Owned/Held

Dr: 1550 Capitalized Equipment-Government-Owned/Held

Dr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress (Non-capitalized Portion Costed in Current Year)

Dr: 3850 Property Adjustments, Prior Years (Non-capitalized Portion Costed in Prior Years)

Cr: 5X20 or 7X20 Fixed Assets in Progress

- (b) Not Previously Recorded as Work in Progress

Dr: 1511 Land-Government-Owned/Held

Dr: 1521 Buildings-Government-Owned/Held

Dr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr: 1541 Leasehold Improvements-Government-Owned/Held



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Dr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

## (34) Capitalization of Fixed Assets Transferred into a NASA Center

### (a) Funded Transfers

Dr: 1511 Land-Government-Owned/Held  
Dr: 1521 Buildings-Government-Owned/Held  
Dr: 1531 Other Structures and Facilities-Government-Owned/Held  
Dr: 1541 Leasehold Improvements-Government-Owned/Held  
Dr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

Dr: 5X10 or 7X10 Current Year Costs  
Cr: 20X0 Accounts Payable  
Cr: 1010 Appropriated Funds With U.S. Treasury

### (b) Unfunded Transfer Basis

Dr: 1511 Land-Government-Owned/Held  
Dr: 1521 Buildings-Government-Owned/Held  
Dr: 1531 Other Structures and Facilities-Government-Owned/Held  
Dr: 1541 Leasehold Improvements-Government-Owned/Held  
Dr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 3810 Transfers of Fixed Assets Intra-NASA  
Cr: 3820 Transfers of Fixed Assets Outside NASA

## (35) Fixed Assets Transferred Out of a NASA Center

### (a) Funded Transfers

Dr: 1010 Appropriation Funds with U.S. Treasury  
Dr: 11X0 Accounts Receivable  
Cr: 1511 Land-Government-Owned/Held  
Cr: 1521 Buildings-Government-Owned/Held  
Cr: 1531 Other Structures and Facilities-Government-Owned/Held  
Cr: 1541 Leasehold Improvements-Government-Owned/Held  
Cr: 1550 Capitalized Equipment-Government-Owned/Held

### (b) Unfunded Transfers

Dr: 3810 Transfers of Fixed Assets Intra-NASA  
Dr: 3820 Transfers of Fixed Assets Outside NASA  
Cr: 1511 Land-Government-Owned/Held  
Cr: 1521 Buildings-Government-Owned/Held  
Cr: 1531 Other Structures and Facilities-Government-Owned/Held  
Cr: 1541 Leasehold Improvements-Government-Owned/Held



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Cr: 1550 Capitalized Equipment-Government-Owned/Held

(36) Adjustment to Fixed Assets Government-Owned/Held

(a) Current Year

Dr or Cr: 1511 Land-Government-Owned/Held

Dr or Cr: 1521 Buildings-Government-Owned/Held

Dr or Cr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr or Cr: 1541 Leasehold Improvements-Government-Owned/Held

Dr or Cr: 1550 Capitalized Equipment-Government-Owned/Held

Dr or Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

(b) Prior Year

Dr or Cr: 1511 Land-Government-Owned/Held

Dr or Cr: 1521 Buildings-Government-Owned/Held

Dr or Cr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr or Cr: 1541 Leasehold Improvements-Government-Owned/Held

Dr or Cr: 1550 Capitalized Equipment-Government-Owned/Held

Dr or Cr: 3850 Property Adjustment, Prior Years

## ***Government-Owned/Contractor-Held Property***

(37) Government-Owned/Contract Work in Process (Monthly)

Dr: 5X40 or 7X40 Contract Work in Process

Cr: 5X50 or 7X50 Closings of Current Year Costs to Contract Work in Process

(38) Upon receipt of contractor's NASA Form 1018, the following additions/adjustments will be made for Capitalization of Facilities Government-Owned/Contractor-Held

(a) Previously Recorded as Work in Progress (Monthly)

Dr: 1611 Land-Government-Owned/Non-Government-Held

Dr: 1621 Buildings-Government-Owned/Non-Government-Held

Dr: 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held

Dr: 1641 Leasehold Improvements-Government-Owned/Non-Government-Held

Dr: 1650 Equipment-Government-Owned/Non-Government-Held

Dr: 17X0 Fixed Assets, Grants and Cooperative Agreements (Subsidiary)

Dr: 5X50 or 7X50 Closings of Current Year Costs to Contract Work in Process

Dr: 3850 Property Adjustments, Prior Years

Cr: 5X40 or 7X40 Contract Work in Process



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- (b) Not Previously Recorded as Work in Process (Additions - Debit the Assets and Disposals - Credit the Assets)

Dr or Cr: 1611 Land-Government-Owned/Non-Government-Held  
Dr or Cr: 1621 Buildings-Government-Owned/Non-Government-Held  
Dr or Cr: 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held  
Dr or Cr: 1641 Leasehold Improvements-Government-Owned/Non-Government-Held  
Dr or Cr: 1650 Equipment-Government-Owned/Non-Government-Held  
Dr or Cr: 17X0 Fixed Assets, Grants and Cooperative Agreements (Subsidiary)  
Dr or Cr: 5X50 or 7X50 Closings of Current Year Costs to Contract Work in Process

- (39) Upon receipt of contractor's NASA Form 1018, the following adjusting entries will be made for Government-Owned/Contractor-Held Property not Capitalized (additions-debit the Inventory Equipment and reductions-credit the Inventory Equipment). If 1018 items are not recorded until the subsequent fiscal year, use account 3850, Property Adjustments, Prior Year.

(a) Materials

Dr or Cr: 1300 Inventories, Government-Owned/Contractor-Held  
Dr or Cr: 5X60 or 7X60 Current Year Changes in Contractor-Held Inventories

(b) Special Tooling

Dr or Cr: 1960 Contractor-Held Special Tooling  
Dr or Cr: 5X90 or 7X90 Current Year Changes in Contractor-Held Special Tooling

(c) Special Test Equipment

Dr or Cr: 1970 Contractor-Held Special Test Equipment  
Dr or Cr: 5X70 or 7X70 Current Year Changes in Contractor-Held Special Test Equipment

(d) Agency-Peculiar Property

Dr or Cr: 1980 Contractor-Held Agency-Peculiar Property  
Dr or Cr: 5X80 or 7X80 Current Year Changes in Contractor-Held Agency-Peculiar Property

- (40) Transfers from a NASA Center to a Contractor (Based on shipping and/or receiving document)

(a) Materials

Dr: 5X10 or 7X10 Current Year Costs (Stores Stock and Standby Stock)



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Dr: 5610 Unfunded Costs (Program Stock)  
Cr: 1210 Inventories, Store Stock, Government-Owned/Held  
Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held  
Cr: 1230 Inventories, Program Stock, Government-Owned/Held

(b) Property Other Than Materials

Dr: 1611 Land-Government-Owned/Non-Government-Held  
Dr: 1621 Buildings-Government-Owned/Non-Government-Held  
Dr: 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held  
Dr: 1641 Leasehold Improvements-Government-Owned/Non-Government-Held  
Dr: 1650 Equipment-Government-Owned/Non-Government-Held  
Dr: 17X0 Fixed Assets, Grants and Cooperative Agreements (Subsidiary)  
Dr: 1960 Contractor-Held Special Tooling  
Dr: 1970 Contractor-Held Special Test Equipment  
Dr: 1980 Contractor-Held Agency-Peculiar Property  
Cr: 1511 Land-Government-Owned/Held  
Cr: 1521 Buildings-Government-Owned/Held  
Cr: 1531 Other Structures and Facilities-Government-Owned/Held  
Cr: 1541 Leasehold Improvements-Government-Owned/Held  
Cr: 1550 Capitalized Equipment-Government-Owned/Held

(41) Reserved for future use.

(42) Transfers From a NASA Contractor to a NASA Center (Based on shipping and/or receiving document)

(a) Materials

If Useful and Goes to Stores Stock or Standby Stock

Dr: 1210 Inventories, Store Stock, Government-Owned/Held  
Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held  
Dr: 1230 Inventories, Program Stock, Government-Owned/Held  
Cr: 5X10 or 7X10 Current Year Costs

(b) Materials

If Status is Uncertain

Dr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment  
Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital  
Cr: 3850 Property Adjustments, Prior Years

(c) Inventories, Government-Owned/Contractor-Held Account 1300 that Are Affected By a Transfer are Adjusted When the NASA Form 1018 is Received.

Dr: or Cr: 1300 Inventories, Government-Owned/Contractor-Held



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Dr: or Cr: 5X60 or 7X60 Current Year Changes in Contractor-Held Inventories

Dr: or Cr: 3850 Property Adjustments, Prior Years

(d) Equipment

Dr: 1511 Land-Government-Owned/Held

Dr: 1521 Buildings-Government-Owned/Held

Dr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr: 1541 Leasehold Improvements-Government-Owned/Held

Dr: 1550 Capitalized Equipment-Government-Owned/Held

Cr: 1611 Land-Government-Owned/Non-Government-Held

Cr: 1621 Buildings-Government-Owned/Non-Government-Held

Cr: 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held

Cr: 1641 Leasehold Improvements-Government-Owned/Non-Government-Held

Cr: 1650 Equipment-Government-Owned/Non-Government-Held

Cr: 17X0 Fixed Assets, Grants, etc. (Subsidiary)

Cr: 1960 Contractor-Held Special Tooling

Cr: 1970 Contractor-Held Special Test Equipment

Cr: 1980 Contractor-Held Agency-Peculiar Property

(43) Property Title Taken by a NASA Center Through the Exercise of Rights Under Grants, Cooperative Agreements or Contracts with Nonprofit Institutions of Higher Education or Nonprofit Organizations whose Primary Purpose is the Conduct of Scientific Research

(a) Property Held By the Government

Dr: 1511 Land-Government-Owned/Held

Dr: 1521 Buildings-Government-Owned/Held

Dr: 1531 Other Structures and Facilities-Government-Owned/Held

Dr: 1541 Leasehold Improvements-Government-Owned/Held

Dr: 1550 Capitalized Equipment-Government-Owned/Held

Cr: 3840 Property-Title Taken Under Grants, Cooperative Agreements or Contracts

(b) Property Retained by Recipients or Contractors but Title Vested to the Government

Dr: 17X0 Fixed Assets, Grants and Cooperative Agreements (Subsidiary)

Dr: 1650 Equipment-Government-Owned/Non-Government-Held

Dr: 1960 Contractor-Held Special Tooling

Dr: 1970 Contractor-Held Special Test Equipment

Dr: 1980 Contractor-Held Agency-Peculiar Property

Cr: 3840 Property-Title Taken Under Grants, Cooperative Agreements or Contracts



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## *Inventories*

### (44) Inventory Received and Identified as Stores Stock, Standby or Program Stock

#### (a) Purchased or Transferred on a Fund Basis

Dr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Dr: 1230 Inventories, Program Stock, Government-Owned/Held

Cr: 20X0 Accounts Payable

Cr: 1010 Appropriated Fund With U.S. Treasury

#### (b) Transferred-in On a Non-reimbursable Basis

Program Stock

Dr: 1230 Inventories, Program Stock, Government-Owned/Held

Cr: 3870 Transfers of Non-Capital Costs, Intra-NASA

Cr: 3880 Transfers of Non-Capital Costs, Outside NASA

#### (c) Transferred-in On a Non-reimbursable Basis

Stores Stock or Standby Stock (Use Fair Market Value)

Dr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Cr: 3850 Property Adjustment, Prior Years

#### (d) Transferred-in As Program Stock On a Non-Reimbursable Basis and Issued to a Project Immediately

Dr: 5610 Unfunded Costs

Cr: 3870 Transfers of Non-Capital Costs, Intra-NASA

Cr: 3880 Transfers of Non-Capital Costs, Outside NASA

#### (e) Materials Turn-ins

Stores Stock and Standby Stocks: Refund to Returnee is Made

Dr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Cr: 5X10 or 7X10 (exclude 5810) Current Year Costs

#### (f) Materials Turn-ins.

Program Stock: No Refund to Returnee

Dr: 1230 Inventories Program Stock, Government-Owned/Held

Cr: 5610 Unfunded Costs

#### (g) Materials Turn-ins.

Stores Stock and Stand-by Stock (Use Fair Market Value)

Dr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Cr: 3850 Property Adjustment, Prior Years



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## (45) Inventory Issued

### (a) Stores Stock and Standby Stock

Dr: 5X10 or 7X10 Current Year Costs

Cr: 1210 Inventories, Store Stock, Government-Owned/Held

Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

### (b) Program Support Stock

Dr: 5610 Unfunded Costs

Cr: 1230 Inventories, Program Stock, Government-Owned/Held

## (46) Inventory Adjustments

### (a) Stores Stock and Standby Stock

Dr or Cr: 1210 Inventories, Store Stock, Government-Owned/Held

Dr or Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Dr or Cr: 5X10 or 7X10 Current Year Costs

### (b) Program Stock

Dr or Cr: 1230 Inventories, Program Stock, Government-Owned/Held

Dr or Cr: 5610 Unfunded Costs

## ***Property Excessed***

## (47) Excess and Surplus Materials and Supplies

### (a) In-house Materials and Supplies Held by the Inventory Carrier Account, Status Codes 1, 2 and 3, and Determined to be Excess. Inventory Cost Less Than Value Picked Up in 18XX

Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital

Cr: 1210 Inventories, Store Stock Government-Owned/Held

Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Cr: 1230 Inventories, Program Stock, Government-Owned/Held

Cr: 3850 Property Adjustment, Prior Years

### (b) In-house Materials and Supplies Held by the Inventory Carrier Account, Status Codes 1, 2 and 3, and Determined to be Excess. Inventory Cost Greater Than Value Picked Up in 18XX

Dr: 3850 Property Adjustments, Prior Years

Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital

Cr: 1210 Inventories, Store Stock Government-Owned/Held

Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

Cr: 1230 Inventories, Program Stock, Government-Owned/Held

### (c) In-house Materials and Supplies Charged to a Project and Determined to be Excess



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Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital  
Cr: 3850 Property Adjustment, Prior Years

(d) Contractor-held Materials and Supplies Charged to a Project and  
Determined to be Excess

Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital  
Cr: 5X60 or 7X60 Current Year Changes in Contractor-Held  
Inventories

(e) Transfers of Excess Materials and Supplies to Other NASA Centers and  
Other Government Agencies

Dr: 3870 Transfer of Non-Capital Costs Intra-NASA

Dr: 3880 Transfer of Non-Capital Costs Outside NASA

Cr: 1820 Other Assets, Personal Property Held for Disposal-Non-  
Capital

(e) Excess Materials and Supplies Sold, Scrapped, or Otherwise Disposed of

Dr: 5610 Unfunded Costs

Dr: 11X0 Accounts Receivable

Cr: 1820 Other Assets, Personal Property Held for Disposal-Non-  
Capital

Cr: 4110 Revenues, Miscellaneous Receipts

(g) Excess Materials and Supplies Reassigned to a Project for Use

Dr: 5610 Unfunded Costs

Cr: 1820 Other Assets, Personal Property Held for Disposal-Non-  
Capital

(48) Excess and Surplus Equipment

(a) In-house Equipment That Was Capitalized in Account 15XX, Fixed  
Assets, Government-Owned/Held, and is Reclassified as Excess or  
Surplus

Dr: 1810 Other Assets, Personal Property Held for Disposal-Capital  
Equipment

Cr: 1550 Capitalized Equipment-Government-Owned/Held

(b) Transfer of Excess or Surplus Equipment

Dr: 3810 Transfers of Fixed Assets Intra-NASA

Dr: 3820 Transfers of Fixed Assets Outside NASA

Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital  
Equipment

(c) Excess or Surplus Equipment Sold, Scrapped or Otherwise Disposed of

Dr: 3830 Cost of Property Retired



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Dr: 11X0 Accounts Receivable  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment  
Cr: 4110 Revenues, Miscellaneous Receipts

(d) Reassignment of Excess Equipment to a Project

Dr: 5610 Unfunded Costs  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment

(49) Trade-in of Equipment When Procuring Replacement Equipment

(a) Write-off of Old Equipment Booked Value

Dr: 3830 Cost of Property Retired  
Cr: 1550 Capitalized Equipment-Government-Owned/Held

(b) Recording of New Equipment at Actual Value (Price Paid Plus Trade-in Allowance)

Dr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 3830 Cost of Property Retired (Trade-in Allowance)  
Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

(50) Trade-In of Inventory for Purchases of Similar Items

(a) Write-Off of Old Inventory Booked Value. Stores Stock and Stand-By Stocks

Dr: 5X10 or 7X10 Current-Year Cost  
Cr: 1210 Inventories, Store Stock, Government-Owned/Held  
Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held

(b) Write-Off of Old Inventory Booked Value. Program Stock

Dr: 5610 Unfunded Cost  
Cr: 1230 Inventories, Program Stock, Government-Owned/Held

(c) Purchase of New Inventory at Actual Value (Price Paid Plus Trade-In Allowance) Stores Stock and Stand-By Stocks

Dr: 1210 Inventories, Store Stock, Government-Owned/Held  
Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held  
Cr: 5X10 or 7X10 Current Year Cost

(d) Purchase of New Inventory at Actual Value (Price Paid Plus Trade-In Allowance) Program Stock

Dr: 1230 Inventories, Program Stock, Government-Owned/Held  
Cr: 5610 Unfunded Cost



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## *Property Retired*

### (51) Fixed Assets Retired

Dr: 3830 Cost of Property Retired  
Cr: 1511 Land-Government-Owned/Held  
Cr: 1521 Buildings-Government-Owned/Held  
Cr: 1531 Other Structures and Facilities-Government-Owned/Held  
Cr: 1541 Leasehold Improvements-Government-Owned/Held  
Cr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 1611 Land-Government-Owned/Non-Government-Held  
Cr: 1621 Buildings-Government-Owned/Non-Government-Held  
Cr: 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held  
Cr: 1641 Leasehold Improvements-Government-Owned/Non-Government-Held  
Cr: 1650 Equipment-Government-Owned/Non-Government Held  
Cr: 17X0 Fixed Assets, Grants and Cooperative Agreements  
(Subsidiary)

### (52) Sale of Equipment (Not for Replacement) (Note: Equipment Must First be Excessed to Allow Other Government Agencies the Opportunity to Purchase the Equipment.)

#### (a) Time of Sale

Dr: 3830 Cost of Property Retired  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment

Dr: 1150 Accounts Receivable, Others  
Cr: 4110 Revenues, Miscellaneous Receipts

#### (b) When Collection is Made

Dr: 6210 General Fund Receipts Deposited  
Cr: 1150 Accounts Receivable, Other

### (53) Sale of Real Property (Not for Replacement)

#### (a) Time of Sale

Dr: 3830 Cost of Property Retired  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment  
Cr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital

Dr: 1150 Accounts Receivable, Other  
Cr: 4130 Revenues, Special Fund Receipts



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(b) When Collection is Made

Dr: 6220 Special Funds Receipt Deposited  
Cr: 1150 Accounts Receivable, Other

(54) Sale of Equipment for Replacement (Note: Equipment Must First be Excessed to Allow Other Government Agencies the Opportunity to Purchase the Equipment.)

(a) Time of Sale

Dr: 3830 Cost of Property Retired  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment

Dr: 1110 or 1120 Accounts Receivable, Reimbursements  
Cr: 4120 Revenues, Appropriations

(b) Collection is Made

Dr: 1010 Appropriated Funds with U.S. Treasury  
Cr: 1110 or 1120 Accounts Receivable, Reimbursements

Dr: 3260 Disbursed Appropriations  
Cr: 3230 Uncommitted/Unobligated Allotments

(c) Recording of New Equipment to Fixed Asset Accounts

Dr: 1550 Capitalized Equipment-Government-Owned/Held  
Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

(55) Transfer of Materials and Non-capital Equipment on a Nonreimbursable Basis to Other NASA Centers, Other Government Agencies, or Private Concerns

Dr: 3870 Transfer of Non-capital Costs Intra-NASA  
Dr: 3880 Transfer of Non-capital Costs Outside NASA  
Cr: 1210 Inventories, Store Stock, Government-Owned/Held  
Cr: 1220 Inventories, Stand-By Stock, Government-Owned/Held  
Cr: 1230 Inventories, Program Stock, Government-Owned/Held

(56) Transfer of Property Held by the Property Disposal Officer to Another NASA Center on a Nonreimbursable Basis

Dr: 3890 Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA  
Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment  
Cr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital



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- (57) Receipt of Excess and Surplus Property From Another NASA Center
- (a) Time of Receipt
- Dr: 1810 Other Assets, Personal Property Held or Disposal-Capital Equipment
- Dr: 1820 Other Assets, Personal Property Held for Disposal-Non-Capital
- Cr: 3890 Transfer of Costs, Personal Property Held by Property Disposal Officer, Intra-NASA
- (b) When Reclassified
- Dr: 1550 Capitalized Equipment-Government-Owned/Held
- Cr: 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment
- (58) Donations From Outside NASA
- Dr: 1210 Inventories, Store Stock, Government-Owned/Held
- Dr: 1220 Inventories, Stand-By Stock, Government-Owned/Held
- Dr: 1230 Inventories, Program Stock, Government-Owned/Held
- Dr: 1511 Land-Government-Owned/Held
- Dr: 1521 Buildings-Government-Owned/Held
- Dr: 1531 Other Structures and Facilities-Government-Owned/Held
- Dr: 1541 Leasehold Improvements-Government-Owned/Held
- Dr: 1550 Capitalized Equipment-Government-Owned/Held
- Dr: 5610 Unfunded Costs (Used for Direct Issue to a Project)
- Cr: 3820 Transfers of Fixed Assets Outside NASA
- Cr: 3880 Transfers of Non-capital Costs Outside NASA
- (59) Capitalized Leases
- (a) Lease is Awarded and the First Payment is Made
- Dr: 1940 Capitalized Leases
- Cr: 2270 Liability for Capitalized Leases
- Dr: 5X10 or 7X10 Current Year Cost
- Cr: 1010 Appropriated Fund With U.S. Treasury
- Dr: 2270 Liability for Capitalized Leases
- Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress
- (b) Subsequent Lease Payments Made
- Dr: 58X0 Interest Expense
- Dr: 5X10 or 7X10 Current Year Cost
- Cr: 2020 Accounts Payable to Others
- Dr: 2020 Accounts Payable to Others



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Cr: 1010 Appropriated Funds With U.S. Treasury

Dr: 2270 Liability for Capitalized Lease

Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

(c) Title Passes to Agency at the End of the Lease

Dr: 1550 Capitalized Equipment-Government-Owned/Held

Cr: 1940 Capitalized Leases

(60) Direct Delivery of Equipment

(a) Non-Funding Receiving Center.  
Capitalized Equipment Transfer

Dr: 1550 Capitalized Equipment-Government-Owned/Held

Cr: 3810 Transfer of Fixed Assets Intra-NASA

(b) Non-Funding Receiving Center.  
Non-Capitalized Equipment Transfer

Dr: 5610 Unfunded Cost

Cr: 3870 Transfers of Non-Capital Cost Intra-NASA

(c) Funding Center.  
Capitalized Equipment Transfer.  
Receipt and Acceptance of Equipment by Non-Funding Center

Dr: 5X10 or 7X10 Current Year Cost

Cr: 20X0 Accounts Payable

(d) Funding Center.  
Capitalized Equipment Transfer.  
Equipment Identified as Being Subject to Capitalization

Dr: 5X20 or 7X20 Fixed Assets in Progress

Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress

(e) Funding Center.  
Capitalized Equipment Transfer.  
Transfer of Direct Delivery of Capitalized Equipment to Non-Funding Center

Dr: 3810 Transfer of Fixed Asset Intra-NASA

Cr: 5X20 or 7X20 Fixed Asset in Progress

(f) Funding Center.  
Non-Capitalized Equipment Transfer.  
Receipt and Acceptance of Equipment by Non-Funding Center



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Dr: 5X10 or 7X10 Current Year Cost

Cr: 20X0 Accounts Payable

(g) Funding Center.

Non-Capitalized Equipment Transfer.

Equipment Identified as Being Expensed and Transferred

Dr: 3870 Transfer of Non-Capital Cost Intra-NASA

Cr: 5610 Unfunded Cost

## ***Returnable Container Deposits***

(61) Deposits on Returnable Containers

Dr: 1910 Deposits on Returnable Containers

Cr: 1010 Appropriation Funds with U.S. Treasury

Dr: 3250 Unliquidated Obligations

Cr: 3260 Disbursed Appropriations

(62) To Record Liquidation of Returnable Deposit Containers

Dr: 1010 Appropriation Funds with U.S. Treasury

Cr: 1910 Deposits on Returnable Containers

Dr: 3260 Disbursed Appropriations

Cr: 3230 Uncommitted/Unobligated Allotment

## ***Trust Funds***

(63) Costs Incurred for Trust Funds

Dr: 5700 Trust Fund Current Year Costs

Cr: 20X0 Accounts Payable

(64) Disbursements Recorded for Trust Funds

Dr: 20X0 Accounts Payable

Cr: 3260 Disbursed Appropriations

(65) Science, Space and Technology Trust Fund

(a) Transfer From C of F

Dr: 1015 Trust Fund Cash for Investment

Cr: 3720 Trust Fund Balance

(b) Investment

Dr: 1065 Investment (at Par)

Cr: 1015 Trust Fund Cash for Investment

Dr: or Cr: 1066 Investment Premium or Discount

(c) Investment Matured



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Dr: 1015 Trust Fund Cash for Investment

Dr: 1066 Investment Premium or Discount

Cr: 1065 Investment (at Par)

Cr: 4140 Revenues, Interest Earned

(d) Receipt of Allotment (504)

Dr: 3280 Trust Fund Allotment

Cr: 3230 Uncommitted/Unobligated Allotments

Dr: 1016 Trust Fund Cash for Expenditure

Cr: 1015 Trust Fund Cash for Investment

(e) Receipt of Resources Authority (506)

Dr: 3610 Resources Authority Received From HQ's

Cr: 3640 Net Resources Authority

(f) Commitments Incurred

Dr: 3230 Uncommitted/Unobligated Allotments

Cr: 3640 Unobligated Commitments

(g) Obligations Incurred

Dr: 3240 Unobligated Commitments

Cr: 3250 Unobligated Obligations

(h) Cost Incurred

Dr: 5700 Trust Fund Current Year Costs

Cr: 2020 Accounts Payable to Others

(i) Disbursements

Dr: 2020 Accounts Payable to Others

Cr: 1016 Trust Fund Cash for Expenditure

Dr: 3250 Unliquidated Obligations

Cr: 3260 Disbursed Appropriations

## ***Closed Account Entries***

- (66) To record the fiscal year-end cancellation of closed account obligations (government agencies). Budgetary entries are required in pre-closing.

Dr: 1019 Undisbursed Allotments for Closed Appropriations

Dr: 2010 Accounts Payable to Government Agencies

Dr: 3250 Unliquidated Obligations

Dr: 3501 Future Funding Requirements

Cr: 2019 Accounts Payable to Government Agencies, Closed  
Accounts

Cr: 3259 Unliquidated Obligations for Closed Accounts



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- Cr: 5X10 Current Year Costs
- Cr: 7X10 Current Year Costs
- (67) To record the fiscal year-end cancellation of closed account obligations (to others). Budgetary entries are required in pre-closing.
  - Dr: 1019 Undisbursed Allotments for Closed Appropriations
  - Dr: 2020 Accounts Payable to Others
  - Dr: 3250 Unliquidated Obligations
  - Dr: 3501 Future Funding Requirements
    - Cr: 1010 Appropriated Funds with U.S. Treasury
    - Cr: 2029 Accounts Payable to Others, Closed Accounts
    - Cr: 3259 Unliquidated Obligations for Closed Accounts
    - Cr: 5X10 Current Year Costs
    - Cr: 7X10 Current Year Costs
- (68) To record uncommitted/unobligated allotment for closed accounts at fiscal year-end. Budgetary entries are required in pre-closing.
  - Dr: 1019 Undisbursed Allotments for Closed Appropriations
  - Dr: 3230 Uncommitted/Unobligated Allotments
    - Cr: 1010 Appropriated Funds with U.S. Treasury
    - Cr: 3239 Uncommitted/Unobligated Allotment for Closed Accounts
- (69) To record a closed account obligation adjustment
  - Dr: 1019 Undisbursed Allotments for Closed Appropriations
  - Cr: 3239 Uncommitted/Unobligated Allotment for Closed Accounts
- (70) To record a closed account disbursement (to a government agency)
  - Dr: 3230 Uncommitted/Unobligated Allotments (Current fiscal year appropriation symbol)
  - Dr: 7X10 Current Year Costs (Current fiscal year appropriation symbol)
    - Cr: 1010 Appropriated Funds with U.S. Treasury (Current fiscal year appropriation symbol)
    - Cr: 3260 Disbursed Appropriations (Current fiscal year appropriation symbol)
  - Dr: 2019 Accounts Payable to Government Agencies, Closed Accounts
  - Dr: 3259 Unliquidated Obligations for Closed Accounts
    - Cr: 1019 Undisbursed Allotments for Closed Appropriations Accounts
    - Cr: 3501 Future Funding Requirements



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- (71) To record a closed account disbursements (to others)
- Dr: 3230 Uncommitted/Unobligated Allotments (Current fiscal year appropriation symbol)
  - Dr: 7X10 Current Year Costs (Current fiscal year appropriation symbol)
  - Cr: 1010 Appropriated Funds with U.S. Treasury (Current fiscal year appropriation symbol)
  - Cr: 3260 Disbursed Appropriations (Current fiscal year appropriation symbol)
  - Dr: 2029 Accounts Payable to Others, Closed Accounts
  - Dr: 3259 Unliquidated Obligations for Closed Accounts
  - Cr: 1019 Undisbursed Allotments for Closed Appropriations
  - Cr: 3501 Future Funding Requirements
- (72) To record the deobligation of a closed account obligation based on a procurement action, thereby transferring the balance from 3259 to 3239 (government agencies)
- Dr: 2019 Accounts Payable to Government Agencies, Closed Accounts
  - Dr: 3239 Uncommitted/Unobligated Allotment for Closed Accounts
  - Cr: 3259 Unliquidated Obligations for Closed Accounts
  - Cr: 3501 Future Funding Requirements
- (73) To record the deobligation of a closed account obligation based on a procurement action, thereby transferring the balance from 3259 to 3239 (others)
- Dr: 2029 Accounts Payable to Others, Closed Accounts
  - Dr: 3239 Uncommitted/Unobligated Allotment for Closed Accounts
  - Cr: 3259 Unliquidated Obligations for Closed Accounts
  - Cr: 3501 Future Funding Requirements

## ***Write-offs of Reimbursable Accounts Receivable***

- (74) To record the write-off of a reimbursable accounts receivable.
- Dr: 3450 Reimbursable Orders Outstanding
  - Dr: 3290 Reimbursables Written Off
  - Dr: 6320 Uncollectable Reimbursable Receivables
  - Cr: 1110 Accounts Receivable, Reimbursements, Government
  - Cr: 1120 Accounts Receivable, Reimbursements, Other
  - Cr: 3210 Reimbursements Disbursing Authority Uncollected
  - Cr: 3430 Reimbursements Earned, Uncollected
- (75) To record the closing of reimbursable accounts receivable for closed appropriations previously written off as uncollectable.
- Dr: 3230 Uncommitted/Unobligated Allotments
  - Cr: 3290 Reimbursables Written Off



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## *Fiscal Year-end Closing Entries*

- (76) Close unobligated commitment balances for expired appropriations.

Dr: 3240 Unobligated Commitments

Cr: 3230 Uncommitted/Unobligated Allotments

- (77) Close reimbursable orders not obligated prior to expiration of applicable appropriations.

Dr: 3450 Reimbursable Orders Outstanding

Cr: 3410 Unfilled Reimbursable Orders

Dr: 3230 Uncommitted/Unobligated Allotments

Cr: 3220 Reserve for Receipt for Reimbursable Orders

- (78) Close balance of account 3220 to account 3210 for expired appropriations.

Dr: 3220 Reserve for Receipt of Reimbursable Orders

Cr: 3210 Reimbursable Disbursing Authority Uncollected

- (79) Close Statistical Reimbursable Costs Accounts.

Dr: 5670 Statistical Reimbursable Costs Applied

Cr: 5660 Statistical Reimbursable Costs

- (80) As part of the closing entries the balances of the following cost accounts will be closed to the Current Year Cost Accounts, 5X10 or 7X10 to compute the costs expensed during the fiscal year.

Dr: 5130 R&D Closings of Current Year Costs to Fixed Assets in Progress

Dr: 5150 R&D Closings of Current Year Costs to Contract Work in Process

Dr: 5160 R&D Current Year Changes in Contractor-Held Inventories

Dr: 5170 R&D Current Year Changes in Contractor-Held Special Test  
Equipment

Dr: 5180 R&D Current Year Changes in Contractor-Held Agency-Peculiar  
Property

Dr: 5190 R&D Current Year Changes in Contractor-Held Special Tooling

Cr: 5110 R&D Current Year Costs

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Dr: 5230 C of F Closings of Current Year Costs to Fixed Assets in Progress

Dr: 5250 C of F Closings of Current Year Costs to Contract Work in  
Process

Dr: 5260 C of F Current Year Changes in Contractor-Held Inventories

Cr: 5210 C of F Current Year Costs



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Dr: 5330 R&PM Closings of Current Year Costs to Fixed Assets in Progress  
Dr: 5350 R&PM Closings of Current Year Costs to Contract Work in Process  
Dr: 5360 R&PM Current Year Changes in Contractor-Held Inventories  
Dr: 5370 R&PM Current Year Changes in Contractor-Held Special Test Equipment  
Dr: 5390 R&PM Current Year Changes in Contractor-Held Special Tooling  
Cr: 5310 R&PM Current Year Costs

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Dr: 5430 SFCDC Closings of Current Year Costs to Fixed Assets in Progress  
Dr: 5450 SFCDC Closings of Current Year Costs to Contract Work in Process  
Dr: 5460 SFCDC Current Year Changes in Contractor-Held Inventories  
Dr: 5470 SFCDC Current Year Changes in Contractor-Held Special Test Equipment  
Dr: 5480 SFCDC Current Year Changes in Contractor-Held Agency-Peculiar Property  
Dr: 5490 SFCDC Current Year Changes in Contractor-Held Special Tooling  
Cr: 5410 SFCDC Current Year Costs

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Dr: 5530 OIG Closings of Current Year Costs to Fixed Assets in Progress  
Dr: 5550 OIG Closings of Current Year Costs to Contract Work in Process  
Dr: 5560 OIG Current Year Changes in Contractor-Held Inventories  
Cr: 5510 OIG Current Year Costs

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Dr: 5630 Unfunded Costs, Closings to Fixed Assets in Progress  
Dr: 5650 Unfunded Costs, Closings to Contract Work in Process  
Cr: 5610 Unfunded Costs

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Dr: 7130 SAT Closings of Current Year Costs to Fixed Assets in Progress  
Dr: 7150 SAT Closings of Current Year Costs to Contract Work in Process  
Dr: 7160 SAT Current Year Changes in Contractor-Held Inventories  
Dr: 7170 SAT Current Year Changes in Contractor-Held Special Test Equipment  
Dr: 7180 SAT Current Year Changes in Contractor-Held Agency-Peculiar Property  
Dr: 7190 SAT Current Year Changes in Contractor-Held Special Tooling  
Cr: 7110 SAT Current Year Costs



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Dr: 7230 HSF Closings of Current Year Costs to Fixed Assets in Progress  
Dr: 7250 HSF Closings of Current Year Costs to Contract Work in Progress  
Dr: 7260 HSF Current Year Changes in Contractor-Held Inventories  
Dr: 7270 HSF Current Year Changes in Contractor-Held Special Test  
Equipment  
Dr: 7280 HSF Current Year Changes in Contractor-Held Agency-Peculiar  
Property  
Dr: 7290 HSF Current Year Changes in Contractor-Held Special Tooling  
Cr: 7210 HSF Current Year Costs

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Dr: 7330 MS Closings of Current Year Costs of Fixed Assets in Progress  
Dr: 7350 MS Closings of Current Year Costs to Contract Work in Process  
Dr: 7360 MS Current Year Changes in Contractor-Held Inventories  
Dr: 7370 MS Current Year Changes in Contractor-Held Special Test  
Equipment  
Dr: 7380 MS Current Year Changes in Contractor-Held Agency-Peculiar  
Property  
Dr: 7390 MS Current Year Changes in Contractor-Held Special Tooling  
Cr: 7310 MS Current Year Costs

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Dr: 7430 NAF Closings of Current Year Costs of Fixed Assets in Progress  
Dr: 7450 NAF Closings of Current Year Costs to Contract Work in Process  
Dr: 7460 NAF Current Year Changes in Contractor-Held Inventories  
Cr: 7410 NAF Current Year Costs

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- (81) The balance of the following accounts will then be closed to account 3740, Cumulative Results of Operations to reflect the net difference between (1) expenses, losses and transfers out and (2) appropriations, revenues and gains for the fiscal year.

Dr: 3260 Disbursed Appropriations (except Trust Fund Account symbols  
which go to account 3720)  
Dr: 4120 Revenues, Appropriations  
Dr: 4140 Revenues, Interest Earned  
Cr: 5110 R&D Current Year Costs  
Cr: 5210 C of F Current Year Costs  
Cr: 5310 R&PM Current Year Costs  
Cr: 5410 SFCDC Current Year Costs  
Cr: 5510 OIG Current Year Costs  
Cr: 5610 Unfunded Costs  
Cr: 7110 SAT Current Year Costs  
Cr: 7210 HSF Current Year Costs



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Cr: 7310 MS Current Year Costs  
Cr: 7410 NAF Current Year Costs  
Cr: 3440 Reimbursements to Appropriations  
Cr: 3810 Transfers of Fixed Assets Intra-NASA  
Cr: 3820 Transfers of Fixed Assets Outside of NASA  
Cr: 3830 Cost of Property Retired  
Cr: 3840 Property-Title Taken Under Grants, Cooperative  
Agreements or Contracts  
Cr: 3850 Property Adjustments, Prior Years  
Cr: 3870 Transfers of Noncapital Costs Intra-NASA  
Cr: 3880 Transfers of Noncapital Costs Outside of NASA  
Cr: 3890 Transfers of Costs, Property Held by Property Disposal  
Officer, Intra-NASA  
Cr: 5810 R&D, Interest Expense  
Cr: 5820 C of F, Interest Expense  
Cr: 5830 R&PM, Interest Expense  
Cr: 5840 SFCDC, Interest Expense  
Cr: 5850 OIG, Interest Expense  
Cr: 5860 SAT Interest Expense  
Cr: 5870 HSF Interest Expense  
Cr: 5880 MS Interest Expense  
Cr: 5890 NAF Interest Expense  
Cr: 6310 Uncollectable Receivables (Appropriation portion)  
Cr: 6320 Uncollectable Reimbursable Receivables  
Dr or Cr: 3740 Cumulative Results of Operations

(82) The balance of the following account will be closed to 3770.

Dr: 4110 Revenues, Miscellaneous Receipts  
Dr: 4130 Revenues, Special Fund Receipts  
Cr: 6210 General Fund Receipts Deposited  
Cr: 6220 Special Fund Receipts Deposited  
Cr: 6310 Uncollectable Receivables (Miscellaneous Receipts and  
Special fund portions)  
Dr or Cr: 3770 Cumulative Results of Operations/Non-Entity

(83) Account 3730 should be updated at the end of each fiscal year based on the current fiscal year change in the following accounts that are reported in the pre-closing general ledger as of September 30:

1210 Inventories, Store Stock, Government-Owned/Held  
1220 Inventories, Stand-By Stock, Government-Owned/Held  
1230 Inventories, Program Stock, Government-Owned/Held  
1300 Inventories, Government-Owned/Contractor-Held  
1511 Land-Government-Owned/Held  
1521 Buildings-Government-Owned/Held  
1531 Other Structures and Facilities-Government-Owned/



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- 1541 Leasehold Improvements-Government-Owned/Held
- 1550 Capitalized Equipment-Government-Owned/Held
- 1611 Land-Government-Owned/Non-Government-Held
- 1621 Buildings-Government-Owned/Non-Government-Held
- 1631 Other Structures and Facilities-Government-Owned/Non-Government-Held
- 1641 Leasehold Improvements-Government-Owned/Non-Government-Held
- 1650 Equipment-Government-Owned/Non-Government Held
- 1700 Fixed Assets, Grants and Cooperative Agreements
- 1810 Other Assets, Personal Property Held for Disposal-Capital Equipment
- 1820 Other Assets, Personal Property Held for Disposal-Non-Capital
- 1910 Deposits on Returnable Containers
- 1930 Other Deferred Debits
- 1960 Contractor-Held Special Tooling
- 1970 Contractor-Held Special Test Equipment
- 1980 Contractor-Held Agency-Peculiar Property
- 1990 Other Assets
- 2240 Other Deferred Credits
- 5120 R&D Fixed Assets in Progress
- 5140 R&D Contract Work in Process
- 5220 C of F Fixed Assets in Progress
- 5240 C of F Contract Work in Process
- 5320 R&PM Fixed Assets in Progress
- 5340 R&PM Contract Work in Process
- 5420 SFCDC Fixed Assets in Progress
- 5440 SFCDC Contract Work in Process
- 5520 OIG Fixed Assets in Progress
- 5540 OIG Contract Work in Process
- 7120 SAT Fixed Assets in Progress
- 7140 SAT Contract Work in Process
- 7220 HSF Fixed Assets in Progress
- 7240 HSF Contract Work in Process
- 7320 MS Fixed Assets in Progress
- 7340 MS Contract Work in Process
- 7420 NAF Fixed Assets in Progress
- 7440 NAF Contract Work in Process

Account 1940, Capitalized Leases minus account 2270, Liabilities for Capitalized Leases should also be included in account 3730.



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The balances of accounts 12X0 plus 1300 plus 15XX plus 16XX plus 1700 plus 1800 plus 19X0 (excluding 1930) plus 5X20 (excluding 5820) plus 5X40 (excluding 5840) plus 7X20 plus 7X40 minus 2270 should equal the total of account 3730 plus account 3760, Donations and Other Items. The contra entry when updating account 3730 should be made to account 3740, Cumulative Results of Operations.

**Note: Use absolute value of each general ledger account.**

- (84) Account 3760, Donations and Other Items should be updated at the end of the fiscal year based on the current fiscal year changes in the property accounts applicable to donations. The contra entry when updating account 3760 should be to account 3730, Invested Capital.
- (85) Account 3750, Unexpended Appropriations, should be updated using the current fiscal year changes in the appropriated (direct) accounts 3230, 3240 and 3250 minus the changes in accounts payable accounts 2010, 2020, 2030, 2040, 2050, 2060 and 2070, and minus 1130 and 1140. If this calculation results in an increase for the fiscal year, account 3750 should be credited. If the result is a decrease, 3750 should be debited. The debit or credit entry calculated to update account 3750 will have a contra entry to account 3270, Appropriations Available for Expenditure.
- (86) Close Costs to Trust Fund Capital
  - Dr: 3720 Trust Fund Capital
  - Cr: 5700 Trust Fund Current Year Costs
- (87) Close Disbursed Trust Fund to Trust Fund Capital
  - Dr: 3260 Disbursed Appropriations
  - Cr: 3720 Trust Fund Capital
- (88) Closing Entries for Science, Space, and Technology Trust Fund
  - Dr: 4140 Revenues, Interest Earned
  - Dr: 3260 Disbursed Appropriations
  - Cr: 5700 Trust Fund Current Year Costs
  - Cr: 3280 Trust Fund Allotments
  - Cr: 3720 Trust Fund Balance



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## **FMM 9230 ACCOUNTING FOR ALLOTMENT AUTHORIZATION AND RESOURCES AUTHORITY**

### **9231-1 PURPOSE**

This chapter sets forth procedural requirements relative to accounting for allotment and resources authorities.

### **9231-2 AUTHORITY**

- a. The "Antideficiency Act," 31 USC 1341-1351, 1501-1557.
- b. NASA Management Instruction (NMI) 9050.3\_, Administrative Control of Appropriations and Funds.
- c. NASA Budget Administration Manual, NHB 7400.1\_.
- d. The Budget and Accounting Act of 1921, as amended, 31 USC 1104.
- e. OMB Circular A-34, "Instructions on Budget Execution," and related OMB guidelines.

### **9231-3 NATURE OF ALLOTMENT ACCOUNTING**

The NASA allotment accounting system is designed to record and control documents and transactions in order to help management, prevent overcommitment, overobligation, and overexpenditure of appropriations and other funds controlled by allotments. For a number of general ledger accounts, such as Uncommitted/Unobligated Allotments, Unobligated Commitments, Unliquidated Obligations, Disbursed Appropriations, etc., the system provides subsidiary accounts. Allotment accounts are an integral part of the overall NASA accounting system, and they provide:

- a. A control technique to help keep commitments, obligations, and expenditures incurred against appropriations and funds within authorized fund availability, and to help ensure compliance with the provisions of 31 USC 1341-1351 and as amended, and as implemented by NMI 9050.3\_.
- b. A means for complying with the accounting and reporting requirements of the central fiscal agencies of the Federal Government {General Accounting Office (GAO), Treasury Department, and Office of Management and Budget (OMB)}.
- c. A continuous record of the use of funds allotted, showing commitments, obligations, disbursements and related transactions.



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- d. Uniformity in recording transactions and a basis for uniformity in reporting the financial results of such activity for use by NASA management at all levels.
- e. A system for recording commitments, obligations, expenditures and related transactions to assure compliance with the provisions and limitations set forth in congressional authorization and appropriation legislation.
- f. A source of accurate and timely data for program management at all levels within NASA, for budget formulation, justification, and review, and for evaluation of program and management performance.
- g. An early indication of the need and justification for reprogramming or transferring of funds.

## **9231-4 RESPONSIBILITIES**

### **a. HEADQUARTERS**

- (1) The NASA Comptroller (or his designee), NASA Headquarters is responsible for the following: (a) prepares and approves all resources authority warrants and subsequent revisions (NASA Form 506), (b) issues allotment authorization (NASA Form 504) and all amendments thereto, (c) verifies dollar amount on resources authority warrants (NASA Form 506A and 506A-R for direct and reimbursable programs respectively), and (d) reviews reallocation requests from program offices (506A or 506A-R) and issues an amended 506 or 506R.
- (2) The Director, Financial Management Division, NASA Headquarters, is responsible for certifying fund availability prior to forwarding allotment authorizations to allottees (see 31 USC 1517-1519).

### **b. OFFICIALS TO WHOM ALLOTMENTS AND RESOURCES AUTHORITY ARE ADDRESSED**

- (1) The Director of each NASA installation is responsible for the administrative control of the Installation allotments and resources authority, to insure the adequacy of practices to preclude violations of 31 USC 1341, 1514 and 1517, and for carrying out their responsibilities as set forth in paragraph 6e of NMI 9050.3\_. The Installation Director also issues subauthorizations (NASA Form 506A and 506A-R) to other Installations requesting and authorizing them to perform a portion of work within the scope and amounts on the resources authority received from Headquarters.
- (2) Installation Financial Management Officers (FMO's) are responsible for the local administration of the provisions of this chapter, subject to the functional direction and supervision of the Director, Financial Management Division, NASA Headquarters.



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## **9231-5 ALLOTMENT ACCOUNTING RECORDS**

### **a. GENERAL**

- (1) In order to account properly for the many allotment accounting and related transactions involved, i.e., resources authority, commitments, obligations, disbursements, etc., it is essential to establish and maintain allotment accounting records in sufficient detail to support the applicable general ledger accounts set forth in FMM 9220 and to supply accounting data for inclusion in financial reports and statements described in FMM 9300.
- (2) A system should be designed to provide accounting data to meet the requirements in subparagraph (1) above, and provide the necessary techniques to insure compliance with the provisions of 31 USC 1341-1351 and 1501-1557, as implemented by NMI 9050.3\_.

### **b. ACCOUNTING RECORDS**

- (1) An allotment control account will be maintained at the appropriation level for each allotment received. In support of this account, resources authority records will be maintained to satisfy the reporting requirements of the General Ledger Accounts System (GLAS) in FMM 9341. Accounting for each subauthorization and each appropriation limitation should be accomplished at the levels necessary to meet the other reporting requirements set forth in FMM 9300.
- (2) A detailed, auditable, and verifiable record (including reference to supporting documents) of unobligated commitments will be maintained as part of the continuous accounting for each allotment or other subdivision of funds and of the available resources authorizations. This record will show the specific amount committed for each contract or order authorized to be placed, the signature of the fund certifying official and the date the document was certified (see FMM 9031-8a).

## **9231-6 ACCOUNTING FOR RESOURCES AUTHORITY**

Accounting for resources authority will be performed in conjunction with allotment accounting. This includes commitments under the Research and Development (R&D), Space Flight, Control and Data Communications (SFCDC), Science, Space and Technology Education (SS&TE) Trust Fund, and Construction of Facilities (CoF) appropriations. It also includes commitments under the Research and Program Management (R&PM) appropriation (PY 1991 and prior, Fund Source 3 only) and the Office of the Inspector General (OIG), (Fund Source 23 only). Commitment accounting for Fund Sources 1 and 2 under R&PM and Fund Sources 21 and 22 under OIG is optional (see FMM 9031-5b.). Accounting procedures for resources authority include:



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- a. Amounts indicated on resources authority documents will be recorded promptly in the accounting records.
- b. The availability of allotments and resources authority shall be determined before a commitment or an obligation is incurred or a change is made to increase the original amount. Commitment or obligation documents shall be recorded promptly against allotments and other subdivisions of funds (see FMM 9031-5 and FMM 9041-4). Commitments, obligations and disbursements shall at all times be kept within the approved resources authority.
- c. Resources authority received for the annual appropriations (one-year), R&PM and OIG expire at the end of the fiscal year for which the funds are appropriated. Resources authorizations received for the no-year appropriations of R&D, SFCDC, SS&TE Trust Fund, and CoF remain available for commitment, obligation, and disbursement within allotted funds until balances of such authority are expended. Resources authority for multiple-year R&D, and SFCDC normally expire at the end of the second year, and for multiple-year CoF at the end of the third year.
- d. In order to relate fund availability to resources authority received for the purposes of accounting and reporting, all R&D resources authorization for program year 1977 and all prior program years will be funded by the R&D no-year allotment (80X0108) whereas starting with program year 1978 each program year will be funded by a two-year allotment (e.g., 808/9108). Resources authority for SFCDC program will be funded by the no-year allotment (80X0105), the two-year allotment (e.g., 809/0105), and the three-year SFCDC appropriation (807/9105). CoF resources authority is funded by a three-year allotment (e.g., 809/10107) for minor programs and discrete projects are funded by the no-year allotment (80X0107). Commitments, obligations and disbursements shall not exceed the amounts for the purposes specified on each approved resources authority. Also, the amounts shall not be exceeded for the purposes specified on each approved resources authority nor exceed the funds allotted.
- e. In the case of a no-year appropriation, an adjustment in funding due to a contract amendment or modification, even if made in a subsequent fiscal year, shall be charged or credited against: (1) currently available allotted funds; and (2) the resources authority which authorized the obligation when the contract was awarded, provided such amendment or modification was specifically authorized in the original contract and does not increase the quantity of items ordered or cover additional items of services, supplies, or costs not provided in the original contractual agreement or otherwise change the scope of the contract and thereby result in a new procurement. An adjustment may be based on a price redetermination, change in specification, or engineering or other change necessitating price adjustment (see FMM 9041-12 a.(2)(f)). Additional resources authority will be requested from Headquarters when necessary to cover adjustments to prior year obligations.



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- f. Unobligated balances of resources authority and unobligated allotment for the R&D no-year account (80X0108) will be reported as of March 31 and September 30 for withdrawal from the Installations. The unobligated resources authority will be reported to the Headquarters program office and the Budget Operations Office (Code BT). Unobligated allotment balances will be reported to the Budget Operations Office.
- g. Resources authority received for reimbursable activities:
  - (1) Under the R&D, SFCDC, and CoF appropriations, resources authority is available for commitment, obligation and disbursement against accepted reimbursable orders until the balances of such authority expire or are rescinded by NASA Headquarters or the ordering agency.
  - (2) Under the R&PM appropriation, resources authority is available until the balance of the order or agreement expires or until the end of the fiscal year, whichever comes first. If it becomes necessary to incur additional obligations in order to continue a reimbursable project begun under the prior year appropriation, current year funds and resources authorization shall be obtained for the additional obligations only if the order is still valid.

## **9231-7 ACCOUNTING FOR ALLOTMENTS**

Separate allotments on NASA Form 504, Allotment Authorization, are received from NASA Headquarters for each appropriation. Congressional and administrative limitations or restrictions on allotment usage: personnel compensation (Object Class 11-17), travel, reimbursements, purchase of motor vehicles, etc., are separately identified on the allotment document. Accounting procedures for allotments received are as follows:

- a. Separate allotment accounts will be established and maintained for each appropriation account. Under each allotment account, subsidiary accounts will be maintained at a level to meet the reporting requirements contained in FMM 9300.
- b. Commitments recorded against allotments shall meet the criteria set forth in FMM 9030.
- c. Obligations recorded against allotments shall meet the criteria set forth in FMM 9040.
- d. Disbursements made against NASA appropriations will be based upon vouchers scheduled to the Treasury Financial Center (TFC) for payment. Prior to recording disbursements, they will be matched with the applicable obligation documents to determine the necessary obligation adjustments that must be made.



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## **9231-8 ACCOUNTING FOR SUBAUTHORIZATIONS**

- a. Subauthorizations represent the transfer of Resources Authority (506) between Installations when one Installation agrees to perform a portion of an authorized program for another Installation. It should be noted that the responsibility for program accomplishment continues to reside in the Installation that was issued the Resources Authority initially by Headquarters offices. Code BT will issue an allotment amendment upon receipt of a copy of the NASA Form 506A or 506A-R from the authorizing Installation. The processing of subauthorizations and allotments will be accomplished in accordance with the guidance contained in NHB 7400.1\_.
- b. An Installation will not further subauthorize any portion of an authorization received from another Installation. Carrier account authority may not be subauthorized.
- c. Subsidiary accounts will be established and maintained by the receiving Installation for each Installation from which subauthorizations are received. The format of these accounts will be the same as for other records subsidiary to the allotment ledger.
- d. The validation of subauthorizations must be accomplished by the FMO or a designated representative authorized to certify the availability of funds. Before validation, the availability of funds should be determined and entries should be made to reduce the availability to coincide with the issuance to another Installation. During the validation process, the Agencywide Coding Structure (AWCS) level at which the funds were received from NASA Headquarters should be determined and the subauthorization of funds to another Installation should be at the same level.
- e. The reporting level for subauthorizations is the lowest level of the AWCS listed in the AWCS Automated System (see FMM 9130).
- f. Receiving Installations will submit reports from their subsidiary accounts for subauthorizations to Headquarters and the issuing Installation on a monthly basis. Headquarters reporting will consist of Financial and Contractual System (FACS) and General Ledger Account System (GLAS) reports which will be due as prescribed in FMM 9321 and FMM 9341 respectively, and FMM Appendix 9391-1A for year-end reporting requirements. Reporting to issuing Installations will consist of a monthly status report which is due on the 10th working day of the subsequent month; earlier submissions are encouraged if possible. The status report will contain clearly identified columnar headings for program year, fund source, reimbursable code, unique project number (UPN) and subsidiary breaks, resources authority, cumulative commitments, cumulative obligations, cumulative costs, and cumulative disbursements. The lowest level of detail prescribed in the AWCS (FMM 9130) will be shown. All money fields will display inception-to-date information with dollars and cents shown. Once a line-item on the report has its resources authority, cumulative commitments, obligations, costs, and



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disbursements equal at the program year, fund source, reimbursable code, UPN and subsidiary breaks level, it should be reported for the rest of the fiscal year, but dropped at the start of the new fiscal year. In addition, once a line-item's appropriation has expired for obligation and its cumulative commitments (except for Fund Sources 1 and 2), obligations, costs and disbursements are equal, it should be dropped from next fiscal year's status report. Reports will be addressed to the FMO of the issuing Installation. Installations are also encouraged to perform online inquiries of each others' data bases and/or the FACS master file at Headquarters to extract the necessary subauthorization data.

- g. The receiving installation will take the necessary precautions to insure that all unobligated subauthorization funds are returned to the issuing Installation in sufficient time to allow for efficient utilization before they expire. By the 15th calendar day of August of each year, the receiving Installation will inform the issuing Installations of their inability to obligate any portion of a subauthorization for which the appropriation will expire at the end of the current fiscal year.

## **9231-9 UNCOMMITTED OR UNOBLIGATED BALANCES OF LESS THAN ONE DOLLAR**

When NASA Forms 504 and 506 (stated in even dollars) are issued to remove uncommitted or unobligated balances of closed or completed projects or prior year allotments, such documents will be recorded as issued. Where this results in leaving a balance of less than one dollar at the project, program year, reimbursable code, method of authorization, and fund source level, such a balance should be removed from the Installation's allotment and general ledgers by journal voucher. A copy of the applicable general ledger journal voucher should be sent to NASA Headquarters, Director, Financial Management Division, Code BFB in the month in which the action is taken. The general ledger journal entries to close these balances of less than a dollar decrease the Installation's allotment and resources authority accounts and increase the appropriate central office accounts. Care will be exercised by the organizational elements responsible for the preparation of these decreases to NASA Forms 504 and 506 to assure that the withdrawal in even dollars does not place the Installation in an overobligated and/or overexpended status.

## **9231-10 ACCOUNTING FOR CITED FUNDS**

- a. Orders placed with another NASA Installation involving a citation of funds will be obligated in accordance with the criteria set forth in FMM 9040. The NASA Installation authorizing the citation of funds will be the official office of record for all transactions and records related thereto.



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- b. The citation of funds will be initiated by a letter from the FMO at the Installation authorizing the citation to the FMO at the performing Installation. The letter will include the following: (1) the amount of the fund citation, (2) appropriation, (3) AWCS code, (4) purpose of the fund citation, and (5) name and title of the responsible official at the Installation authorizing the citation.
- c. Upon incurrence of an obligation, the performing Installation will immediately forward a signed or certified copy of the obligating document to the authorizing Installation for the official records. An Individual Procurement Action Report (NASA Form 507) will also be provided, if required.
- d. The performing Installation will maintain memorandum accounting records sufficient to control the obligations and disbursements against the order. Payment vouchers will be scheduled through its TFC against the agency station number of the authorizing Installation. Accomplished vouchers will be forwarded promptly to the authorizing Installation for entry into the official accounting records.
- e. The authorizing Installation is responsible for making appropriate arrangements with the performing Installation for timely receipt of monthly cost accrual data for entry into the official records.

## **9231-11 ADJUSTMENTS AND RECONCILIATION REQUIREMENTS**

### **a. COMMITMENTS**

- (1) An unobligated commitment shall be eliminated or reduced in the accounting records on the basis of a valid obligation recorded pursuant to FMM 9040, or other action requiring adjustment or cancellation of the commitment. Unobligated commitments citing expiring appropriations will be cancelled at the end of the fiscal year for which the funds are appropriated.
- (2) Unobligated commitments shall be reviewed at least quarterly and preferably monthly to confirm the validity of the recorded unobligated commitments. Particular attention should be given to analyzing commitments which have remained unobligated for a long period of time. All indicated adjustments shall be promptly made and, in those cases where the proposed procurement is no longer necessary, it should be cancelled and the entire amount decommitted. Where, because of the nature or volume of the transactions, a quarterly review of unobligated commitments is not administratively practicable, field Installations may devise an alternate procedure and submit two copies with a written justification to the Director, Financial Management Division, NASA Headquarters for approval.



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- (3) Documents representing unobligated commitments shall be reconciled monthly to the general and allotment ledger accounts. Evidence of these reconciliations shall be retained in the accounting files for audit purposes. Where a monthly reconciliation is not administratively practicable because of the nature or volume of the transactions, field Installations may devise alternate procedures and submit two copies with a written justification to the Director, Financial Management Division, NASA Headquarters for approval.

## b. OBLIGATIONS

- (1) As a general policy, increases or decreases in obligations must be recorded promptly in accordance with the applicable provisions of FMM 9040. Unliquidated obligations should be reviewed at least semiannually to insure that they meet the criteria as set forth in FMM 9040 for reporting as valid obligations and to determine whether adjustments are required. Particular attention must be given to analyzing obligations which have remained unchanged for a long period of time. The financial management officer must assure that all existing valid obligations are recorded.

As part of the validation procedure, certain unliquidated obligations should be promptly deobligated by the FMO. Circumstances when it is justified for the FMO to deobligate funds include: (1) initial obligation is found to be invalid; (2) correction of bookkeeping errors or duplicate obligation; (3) obligation was liquidated, closing the contract, grant or purchase order in an amount less than the amount of the original obligation; (4) unliquidated obligation represents a Government Bill of Lading (GBL) which is three years old; or (5) dollar amounts are under \$50 and have had no financial activity for long periods of time, and the initiating office has not provided written justification as to why the obligation should remain on the accounting record.

- (2) The totals of the unliquidated obligation documents must be reconciled periodically, at least semiannually, to the general and allotment ledger accounts.

While no particular format is prescribed, the fiscal year-end reconciliation must provide an auditable listing identifying unliquidated documents.

- (3) A responsible official must certify that reviews were conducted in accordance with this FMM. If it is not practical to review 100 per cent of unliquidated obligations, the financial management officer may approve the use of valid statistical sampling for the purpose of giving qualified certifications of obligation balances.

Evidence, including workpapers and records, of the above reviews and reconciliations must be retained in the accounting files for audit purposes and in support of the related certified reports.



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## **9231-12 REVIEW AND ADJUSTMENT OF FISCAL YEAR-END UNLIQUIDATED OBLIGATIONS**

- a. The official cutoff for completing the final review and listing of fiscal year-end unliquidated obligations and the final closing of the fiscal year accounts should be based on the Schedule of Fiscal Year-End Financial Reports published in FMM 9390.
- b. In the course of such final review, (1) an obligation which is not fixed in amount shall be adjusted to the best estimate that is available, (2) downward adjustments of overstated obligations and upward adjustments of valid obligations as needed shall be recorded as of the end of the fiscal year, and (3) disbursements, billings, or any other documentary evidence shall be used as a basis for adjusting the related obligations previously recorded or for recording obligations valid at fiscal year-end, but not previously recorded. However, only events which actually occurred prior to or on the last day of the fiscal year shall be accepted as a basis for an adjustment.
- c. The certified listing of unliquidated obligations shall include all known obligations as of the end of the fiscal year that meet the criteria set forth in FMM 9040.
- d. The preparation of the year-end certification of obligations and the preparation of the financial statements for the fiscal year shall be based on information available upon completion of the review and listing of unliquidated obligations and the end of the fiscal year accounts. All transactions recorded after the cutoff shall be treated as adjustments in the following fiscal year.

## **9231-13 PHASEOUT OF NASA MERGED APPROPRIATIONS**

- a. In accordance with Public Law No. 101-510, implemented by OMB Circular No. A-34, on September 30, 1993, all remaining "M" accounts will be closed and subsequent "M" account obligation adjustments will be funded by current year appropriations.
- b. As of September 30, 1990, no new obligated balances will be transferred to merged accounts. Instead, separate expired accounts for each appropriation available for a definite period of time will be maintained by fiscal year identity for five years following the last year for which the appropriation is available for obligation. At the end of five years, any unliquidated obligated account balances are canceled, and must be removed from the records as available funds. Those accounts are no longer available for obligation or expenditure for any purpose.



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- c. Each Installation is required to continue performing semiannual reviews to insure the validity of unliquidated obligations in the merged accounts until they are completely phased out at the end of September 30, 1993. The procedures for validating merged account obligations are the same as those procedures provided in FMM 9231-11b to validate obligations prior to expiration of current appropriations. Certification of merged account availability must be made at the FMO level and written documentation must be maintained to support the use of merged account funds.

## **9231-14 CLOSED ACCOUNT OBLIGATIONS**

- a. Any remaining balance (whether obligated or unobligated) in an account on September 30 of the fifth fiscal year after the period of availability for obligation of a fixed appropriation account ends will be canceled. These accounts are defined as "closed accounts" and will no longer be available for obligation or expenditure for any purpose.
- b. Obligations that have been canceled and the account thereby closed must be documented in the procurement file maintained by accounting. A detailed list of closed account obligations must be provided to the Installation's Procurement Management Office at the end of each fiscal year. The list should include contract/purchase order, appropriation, program year, AWCS, reimbursable code and Reimbursable Agreement Number (RAN), if applicable, and the amount canceled. When accounts are closed, Allotment Authority (504) documentation **will not** be issued by NASA Headquarters. Also, resources authority for both appropriated and reimbursable funds **will not** be made against closed accounts.
- c. FMO's must submit to Headquarters, Code BFB, three reports as of the end of each fiscal year concerning closed account obligations. These reports must be submitted within 15 working days and should include the contract/purchase order, original appropriation account and program year, AWCS, reimbursable code and RAN, if applicable, and dollar amount. (Note: The installation RAN should be further broken down to include the customer order number.) Headquarters will use information included in these reports to analyze the resources authority (506) and allotment authority (504) requirements related to canceled obligations and to generate data to report to Treasury. The three required reports are as follows:
  - (1) Report No. 1. This report must contain closed account unliquidated obligations that have not yet been disbursed. This report must reconcile to the balance in General Ledger account 3259.
  - (2) Report No. 2. This report must list closed account obligations that have been disbursed against current appropriation accounts during the fiscal year just completed.



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- (3) Report No. 3. This report must list the amount of obligation adjustments related to closed accounts, processed during the fiscal year just completed. It must also include an explanation of the purpose for each adjustment in addition to the other data requirements.
- d. Allotment authority (504) to fund canceled obligations will be issued as part of the normal funding for each appropriation. Resources authority (506) for R&D and SFCDC appropriated funds will be issued using operating account concepts. Resources authority for CoF will be issued using the Facility Project Number (FPN) that originally funded the canceled obligation. Resources authority for R&PM and OIG will be issued using the fund source that originally funded the canceled obligation. Reimbursable resources authority will be issued using the UPN, FPN or fund source that originally funded the canceled obligation.
  - e. Resources authority for R&D and SFCDC appropriated funds will be issued directly to the Installations by the Budget Operations Office. Resources authority for CoF will be issued by the Facilities Engineering Office. Resources authority for R&PM will be issued by the Director, Institutional Resources & Analysis. Resources Authority for OIG will be issued by the OIG.
  - f. Reimbursable resources authority will be issued by Headquarters Budget Operations Office to the appropriate program office, with the stipulation that the program office must support a timely "Buff" issuance to the requesting Installation.
  - g. The issuance of resources authority for all appropriations, both direct and reimbursable, will be based on written requests, submitted at the time a disbursement is identified. The request should also be accompanied by a signed certified copy of the final invoice or other official documentation supporting the disbursement.
  - h. Dual funds control is required for closed account disbursements. Funds control for the unexpired appropriation where the disbursement will be charged is accomplished using current funds control requirements, (i.e. Allotment Authority (504) and Resources Authority (506) must be available). Funds control is also required for the closed appropriation where the original obligation was recorded. The funds control for closed accounts will be at the appropriation level only, (i.e. Allotment (504)). If the recording of a disbursement, related to a closed account includes an obligation adjustment that exhausts the closed account balance in account 3239, the payment cannot be made and Headquarters, Code BFB must be notified.



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## **FMM 9240 COST ACCOUNTING**

### **9240-1 PURPOSE**

This chapter, which defines requirements for the detailed cost systems and cost accounting structures utilized by NASA Headquarters and field Installations for the accounting, controlling, and reporting of NASA costs incurred, has as its purpose the establishment of uniformity of cost accounting in order to insure consistency of reporting to provide a reliable and valid tool for project management.

### **9240-2 APPLICABILITY**

This chapter is applicable to NASA Headquarters and field installations.

### **9240-3 POLICY**

- a. Costs shall be recorded in such a manner as to provide managers at all levels with timely, usable, and reliable cost information. Cost data shall be made available to these managers through routine reports either prescribed for general agency use or tailored to the managers' individual needs.
- b. The cost data provided shall be adequate to serve as the basis of or aid in the:
  - (1) formulation and execution of budgets and Program Operating Plans (POP's).
  - (2) control and comparison of actual performance with budgeted or forecasted performance.
  - (3) determination of total direct costs or unit costs, where applicable, of projects, products or services.
  - (4) establishment of prices for work performed for others.
  - (5) preparation of financial statements and reports.

### **9240-4 TERMINOLOGY**

- a. Definitions of the following are set forth in FMM 9020-4:

Accrual Basis of Accounting

Appropriation Refunds

Costs, Accrual Basis

Accrued

Cash Basis



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Direct

Element of

Indirect

Plant Value

Reimbursable Expenditure

Revenue

- b. Costs, for the purpose of this chapter, shall be considered as total funded costs net of appropriation refunds, plus unfunded costs.
- c. Cost accounting, which is performed in NASA on an accrual basis, is that method of accounting which provides for the assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job. Certain costs are classified and assigned directly to the unit being costed, while others are grouped into overhead cost centers. The unit may vary from a program or project to a smaller specific unit such as a work order, a fabricated product or a part of a construction feature.
- d. An integrated cost accounting system provides accounts for accumulating current cost data on a continuous basis and for "tying-in" these accounts with the general ledger.
- e. Definitions of elements of costs are included in FMM 9240-10.

## **9240-5 GENERAL DESCRIPTION OF THE COST ACCOUNTING SYSTEM**

- a. **CONCEPTS.** The following concepts apply to the cost accounting system prescribed herein:
  - (1) Accounts will be maintained on an accrued cost basis.
  - (2) Goods, other than inventory items, will be costed when received and services will be costed in the month in which performed. Inventory materials will be charged to the appropriate project account when goods are issued.
  - (3) Costs will be charged directly to specific activities or units where identifiable.
  - (4) Periodic financial reports will be furnished managers to permit them to evaluate their financial management effectiveness relative to the management of operations and resources for which they are responsible.
  - (5) The amount of detail in cost reports normally will vary inversely with the level of management for which the reports are intended.
  - (6) Costs will be included in the Installation accounts as either an asset acquisition or an operating expense.



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- (7) Costs will be maintained on a calendar month basis. Where contractor reporting periods for contract costs are on a base other than a calendar month, these costs will be estimated through the end of the month. The level of costs for which estimates are made will be the highest level possible for reporting and management requirements.
  - (8) Costs will be identified by element of cost and so reported where this detail will serve management needs.
  - (9) Costs collected for a project will include applicable costs incurred under any appropriation or from the simulated appropriation, Unfunded Costs (FMM 9220-12.) Materials acquired without funds is commingled with materials acquired with funds and charged to projects from inventory as though it was a funded cost.
  - (10) Costs of real and personal property will be capitalized in accordance with FMM 9250.
- b. **RECORDING COSTS.** Costs will be classified in the accounts under the appropriation which financed the costs, i.e., Research and Program Management, Research and Development, and Construction of Facilities. Non-appropriation costs (unfunded) will be classified in the accounts in a simulated appropriation to facilitate appropriation accounting and to accumulate data to establish more complete costs. Within each appropriation, costs will be classified first according to the Agencywide Coding Structure and then to distinguish between those which should be capitalized and those which should be expensed as cost of current operations. The system of classification will be uniform so that total costs for Research and Development and Construction of Facilities projects may be determined irrespective of which appropriation financed the costs or whether the costs will be accounted for finally as capital or expense.
- c. **UNFUNDED COSTS.** Cost accounts will contain entries for the value of goods and services received which do not affect the installation's fund accounts. These items, although they do not involve charges to the current appropriations, shall be considered as costs and will be charged to a simulated appropriation cost control account, Unfunded Costs (5600 series). Where items are received without an indication of value, they will be priced at a reasonable (that which the Government would have been willing to pay) cost and charged through the simulated appropriation account to the project, inventory, or capital account. The contra credit for such charge will be to Accounts 3870 or 3880. These charges will be adjusting items when reconciling total costs to obligations. Intra-Installation unfunded property transactions are handled in accordance with FMM 9250-127.



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## d. PRINCIPAL COST CLASSES

- (1) Costs will be classified as direct or indirect costs. Direct and indirect costs are defined as follows:
  - (a) **Direct Costs** - Costs readily identified with specific activities. The term should not be used without stating "direct to what". For example, a cost may be direct to a project, but indirect to a project subdivision; or direct to a contract, but indirect to a subdivision of work under the contract.
  - (b) **Indirect Costs** - Costs not readily identified with specific project effort, but which are applicable generally to an administrative or productive activity. In NASA this refers to general and administrative overhead (G&A), to project or program overhead, and to construction overhead. Contractors may place indirect expenses in separate indirect cost pools to correspond with direct labor classifications, i.e., engineering, manufacturing, etc., plus a G&A classification.
- (2) When two or more similar hardware items are fabricated in-house, it may be advantageous to segregate recurring and nonrecurring costs for the purpose of obtaining reasonable estimates of future production costs. NASA has not established an account structure for recording recurring costs separately from nonrecurring costs; however, when requested by Headquarters or when determined desirable by the field Installation, records will be maintained to identify cost items so that a separation is possible. Recurring and nonrecurring costs are defined as follows:
  - (a) **Recurring Costs** - Costs associated with the repetitive functions performed to produce and launch the deliverable articles in the program, such as: hardware, system test, maintenance of ground support equipment, sustaining tooling, sustaining engineering, launch services, spares and documentation.
  - (b) **Nonrecurring Costs** - Costs incurred for efforts of a onetime nature required to establish the configuration or configurations of the deliverable articles and the facilities and capabilities required to produce, launch, and/or change the configurations, such as: engineering; design and development; fabrication and test of components, subsystems, mock-ups, models, prototypes and ground test articles; ground support equipment; new tooling; facilities and documentation relating to the above. The engineering effort includes the engineering required for system and subsystem redesign, modification, and product improvement.



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- (3) Costs will be identified as direct costs to specific R&D and C of F projects to the greatest extent reasonable and practicable. In-house indirect costs and the cost of contract work of an indirect nature will be charged to Unique Project 039 or to one of the support project accounts which are institutional in nature. Contractors' indirect costs, together with the direct costs will be charged to the appropriate project.
- e. **COST FINDING SYSTEMS.** Although field Installations are expected to employ an integrated cost accounting system (FMM 9240-4d), there are instances when it may be necessary to use a cost finding system. A cost finding system is one under which cost data are obtained by analyzing disbursement accounts and making test counts of units of production when required at regular or irregular intervals. The system does not provide accounts for accumulating current cost data on a continuous basis and for integrating these data with the general ledger. It can provide cost information when it is needed on an occasional basis or for a special purpose. However, it may not be as precise as the cost data provided by the integrated cost accounting system. Cost finding systems when employed will also use the cost concepts provided herein. It is intended that cost finding techniques will not normally be used for recurring reports.
- f. **UNIT COSTS.** Cost accounting can be made more useful if unit costs are compiled using a valid base and accurate cost data. Unit costs can be employed to make comparisons with like data of the same organizations carrying on like activities, with preestablished standards, and with budget estimates. Variances can be made available to management for analysis to determine activities, projects or jobs which need improvement or other corrections for economy, efficiency, or other purposes. Unit costs can also be used to help establish prices. Unit cost procedures will be used where there is a need for the setting of performance standards, for managing current performance or for the budgeting of future operations.

## **9240-6 GENERAL LEDGER COST CONTROL ACCOUNTS**

- a. The general ledger accounts maintained to control and summarize costs incurred are included in the 5000 series of the general ledger account structure as prescribed and defined in FMM 9220-12. Additional subdivisions of the accounts may be established providing the subdivisions will be directly combinable into the Agencywide uniform classification. Each field Installation will establish and maintain the detailed cost accounts determined necessary for the required reporting to Headquarters as well as for its internal reporting requirements in accordance with the guidelines included in this chapter.
- b. Additional control accounts have been established in order to currently accumulate costs to date related to fixed assets in progress, whether or not the costs are to be expensed or capitalized. All such costs, including equipment, will be closed to the fixed assets in progress and other accounts in the following manner: (Reference FMM 9250-50)



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## **(1) Record Monthly**

- (a) The transfers of costs of Fixed Assets in Progress from account 5X30, Closings of Current Year Costs to Fixed Assets in Progress--to account 5X20, Fixed Assets in Progress.
- (b) The transfer of costs of fixed assets in progress from account 5X50, Closings of current Year Costs to Contractor-Held Facilities in Progress--to account 5X40, Contractor Facilities in Progress.
- (c) The transfer of completed fixed assets from account 5X20, Fixed Assets in Progress--to account 1500, Fixed Assets, Government-Owned/Held.
- (d) The transfer of completed fixed assets from account 5X40, Contractor-Held Facilities in Progress--to account 1600, Contractor-Held Facilities or account 1700, Fixed Assets, Grants and Research Contracts, as appropriate.
- (e) The transfer of non-capital costs (remaining after transfers in subparagraph (c) above) from 5X20, Fixed Assets in Progress--to account 5X30, Closings of Current Year Costs to Fixed Assets in Progress and/or to account 3850, Property Adjustments, Prior Years, as appropriate. These costs in account 5X30 and 3850 will remain until the yearend closing to account 5X10.
- (f) The transfer on non-capital costs (remaining after transfers in subparagraph (d) above) from account 5X40, Contractor-Held Facilities in Progress--to account 5X50, Closings of Current Year costs to Contractor-Held Facilities in Progress and/or to account 3850, Property Adjustments, Prior Years, as appropriate. These costs in account 5X50 and 3850 will remain until the yearend closing to account 5X10.

## **(2) Record at Fiscal Yearend**

- (a) The transfer of the net costs remaining in account 5X30--to account 5X10. This closes account 5X30.
  - (b) The transfer of the net costs remaining in account 5X50--to account 5X10. This closes account 5X50.
  - (c) The transfer of the net costs remaining in account 3850--to account 3710. This closes account 3850.
  - (d) After all other transfers have been made, the balances of current year costs remaining in account 5X10, Current Year Costs will be transferred to account 3710, Net Investment of the U.S. This closes account 5X10.
- (3) The costs to be recorded relative to Contractor-Held Fixed Assets and will be taken from shipping documents, transfer documents, etc., at the time they are received. Upon receipt of the NASA Form 1018 reports from Contractors, increases or decreases in costs recorded in the accounts will be adjusted as appropriate.



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- c. The numbering system for the cost control accounts is:

**(1) by type of cost:**

R&D Costs

C of F Costs

R&PM Costs

Unfunded Costs

Cost of Property - Services Procured for Foreign Organizations

**(2) by status of the cost:**

--10 Current Year Costs

--20 Fixed Assets in Progress

--30 Closings of Current Year Costs to Fixed Assets in Progress

--40 Contractor-Held Facilities in Progress

--50 Closing of Current Year Costs to Contractor-Held Facilities in Progress

--60 Current Year Changes in Contractor-Held Inventories

--70 Current Year Changes in Contractor-Held Space Hardware

- d. The cost control account totals and the summary of the costs of the subsidiary projects shall always be in agreement. If they do not agree, the variations shall be determined and the accounts reconciled monthly.
- e. The total costs included in the Financial Status of Programs Report will be reconciled monthly to the General Ledger 5000 series of accounts in accordance with FMM 9331-6. Total current year costs included in the 5000 series of accounts will be reconciled annually with disbursements giving recognition to net changes in inventories, accounts payable and returnable container deposits, refunds to appropriations, advances, unfunded costs, etc.

## **9240-7 DETAILED COSTS ACCOUNTS**

- a. The general ledger cost control accounts will be supported by detailed cost accounts (frequently work orders which are also known as work authorizations, job orders, task orders, etc.) which will be established in accordance with the following guidelines:



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- (1) **Programmatic Projects.** As many subsidiary cost accounts will be established below the level prescribed in FMM 9100, Agencywide Coding Structure, as are required by budget considerations or will be helpful in project management. These subsidiary cost accounts will be designated to facilitate cost collection and reporting as related to:

- (a) fund control
- (b) responsibility monitoring
- (c) correlation with technical progress

The system and subsidiary breaks required will reflect in-house requirements and will result from the consideration of NASA needs and contractors' accounting systems and capabilities. Cost accounts will consistent with the project work breakdown structure established for managing the project.

- (2) **C of F Projects.** As many subsidiary cost accounts will be established below the level prescribed in FMM 9100, Agencywide Coding Structure, as are required for direct classification of costs into the Fixed Assets and Contractor-Held Facilities accounts.

- (3) **Reimbursable Work or Services for Others.** At least one cost account will be established for each request (reimbursable order received) from Government agencies, commercial services, or foreign organizations. As many additional cost accounts will be established as will be helpful in management or billing. These cost accounts are to be included with the Agencywide Code projects in balancing to Accounts 5110, 5210, etc. Cost entries are concurrently made to:

Reimbursable Earned, Unbilled (3240) Dr.

Unfilled Reimbursable Orders (3410) Cr.

- (4) Nonprogrammatic and Miscellaneous Support Activities

- (a) At least one cost account will be established for each field installation organization involved in the support activity. Functional accounts and, where needed by functional managers, subfunction accounts will be maintained. Separate cost accounts may be established for general classifications, such as inventory adjustments and purchase discounts.

- (b) Specific cost collection and reporting systems are prescribed in FMM 9340 for:

NASA Administrative and Program Support Aircraft Cost and Operations

Facilities, Operations and Maintenance



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NASA Occupational Medicine and Environmental Health Program  
Service Cost

NASA Public Affairs Cost

Such detailed cost accounts as are necessary will be established to collect from all fund sources costs which relate to these activities.

- (c) In addition, subsidiary accounts will be used for each of the major supporting activities, consistent with the objective of providing a basis for a meaningful allocation of direct costs to the benefited project accounts. Examples of such supporting activities are shops, laboratories, testing facilities, computing facilities and wind tunnels. Such direct costs as can be identified to these activities will be so charged. This also includes labor and travel.
- (5) **R&D and R&PM Support of Construction Program.** At least one cost account under R&D and under R&PM will be established for each benefited Construction of Facility Project Number (FPN) and for General Support of the Construction Program. Where needed by functional managers, function and subfunction accounts will also be maintained.
- b. Carrier Accounts may be established in accordance with FMM 9280-91 for initial financing and for use in temporarily recording costs of common-use materials, supplies, non-capital equipment or contractual services that are applicable to more than one appropriation. When the appropriations and cost accounts ultimately receiving benefit are determined, they will be charged for their appropriate cost and the carrier account will be credited.

## **9240-8 OPENING NEW COST ACCOUNTS (WORK ORDERS)**

- a. The complete description and purpose of the cost account and the authorizations to incur costs against its cost classification code will be clear and understandable. A written statement or a format providing for starting date, completion date, nature of work, responsible official, approving official, estimated costs, participating organizations and other pertinent information will be properly originated, approved and maintained for reference and control of actions.
- b. Field Installations will provide that cost classification codes are distinct and non-duplicative. These codes need not be identical with the Program/Project or Fiscal/Statistical codes established by FMM 9100, but the coding adopted by the Installation shall be readily convertible to the Agencywide Code.



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## **9240-9 CLOSING COST ACCOUNTS (WORK ORDERS)**

- a. When a work effort is complete, notification will be made to ensure that the cost account is no longer available to accept costs. Total costs incurred and the results of the work effort will be reviewed by a responsible official to ensure that proper amounts have been closed to Fixed Assets and Contractor-Held Facilities accounts. Also, if the cost of the work is reimbursable or shared with outsiders, a review will be made by a responsible official to ensure that the resulted that the related accounts receivable and revenue accounts are accurate and completed.
- b. In order to currently accumulate costs to date relative to fixed assets in progress, whether or not the costs are to be expensed or capitalized, all such costs, including equipment, will be closed to fixed assets in progress and other accounts in the following manner:
  - (1) **Record Monthly** - The transfers of costs relative to fixed assets in accordance with the procedures set forth in 9240-6b(1), above.
  - (2) **Record at Fiscal Yearend** - The transfer of the net costs remaining in accounts 5X30, 5X50, 3850, and the transfer of the balances of current year costs remaining in account 5X10 as set forth in 9240-6b(2).
- c. When costs of C of F projects are closed to Fixed Assets or Contractor-Held Facilities, or transferred to C of F Fixed Assets in Progress under the 5200 series of accounts, the related amounts for R&PM cost in support of the construction program accounted for under R&PM project 050, Support of Construction Program, will be closed under the 5300 series of accounts. The costs charged to Project 050-9999, General Support of Construction Program, will be transferred to projects as they are completed in accordance with FMM

## **9240-10 ELEMENTS OF COST**

- a. Management of projects becomes more meaningful when costs connected with them can be analyzed both horizontally, by system, subsystem, etc., and vertically by element of cost. Where needed, field Installation costs will be identified by element of cost and so reported to management.

The basic elements of cost are:

Direct Material

Direct Labor

Contractual Services

Other Direct Costs

Overhead (Indirect) Costs



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- b. **DIRECT MATERIALS.** Materials, other than fixed assets, are those whose costs are significant enough to warrant identifying them and charging them directly to a project, a job or an activity. (A significant amount is one which, if used or omitted, would result in a misleading report.) The materials will be charged to the cost account if the material is not for inventory, or when issued from stores material inventory.
  - (1) Direct Charge Purchases--Costs for direct materials will be the purchase order price, less cash discounts. Where more than one cost account is included on a purchase order or a vendor's invoice, the cash discount will be allocated to the appropriate account(s) or, if insignificant, applied to the largest charge.
  - (2) Stores Stock Inventory Issues--Issues from these inventory accounts will be costed in accordance with FMM 9254.
- c. **DIRECT LABOR.** This element includes NASA employees' labor which can be readily identified with a product, a job, or an activity. Labor which cannot be identified in the above areas is indirect and is included in overhead expenses. Labor costs are compiled from time reports which will be reconciled to time and attendance reports. Labor costs will not include accruals for annual leave or payroll benefits. Employee benefits will be charged to the appropriate overhead account. Overtime premium pay will be charged to the same accounts that receive the charge for non-premium pay.
- d. **CONTRACTUAL SERVICES.** This element includes work done under contract, which is a major portion of NASA's expenditures. With the exception of the costs specified in subparagraphs e and f below, all contract costs will be included under this element, even though such costs may represent supplies and materials used by the contractor in performing the project involved. These costs will be charged directly to projects, jobs or activities where it is practical to do so. Whenever this is not practical, contract costs will be charged to a NASA overhead account.
- e. **OTHER DIRECT COSTS.** This element includes items which are identifiable as direct charges but are not included in one of the preceding elements of cost. This includes such items as electrical power for wind tunnel operations, transportation of vehicle stages, nuclear irradiation or testing costs, etc.
- f. **OVERHEAD**
  - (1) This element includes all cost items which are not included within the above classifications. Overhead charges are those which cannot be readily or economically identified to individual projects, jobs or activities. Such charges will be accumulated in overhead accounts and will not be distributed. However, overhead costs will be in such detail as necessary for costing reimbursable services performed for others. The depth of detail will also provide for the isolation of costs which are controllable by the person being held accountable. See FMM 9090 for Installation and Headquarters overhead charges.



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- (2) An exception to subparagraph (1) above is the procedure used for costing reimbursable work for non-U.S. Government users, the proceeds of which are to be deposited to miscellaneous receipts. Such costs will be determined in accordance with FMM 9081-6, Determination of Costs and Charges, which provides for including indirect cost if distribution can be made under the present cost accounting system or for the use of a percentage factor for indirect costs when distribution cannot be made through the present accounting system. The inclusion of overhead costs in determining such prices does not require the transfer of corresponding amounts between subsidiary cost accounts nor does it affect the amounts in the General Ledger cost control accounts.

## **9240-11 COSTS REPORTED IN EXCESS OF OBLIGATIONS**

Cumulative costs incurred on a contract should never be more than the limit of the Government's liability; however, there may be instances when contractor reports indicate costs in excess of funds obligated on a contract. In many of these instances, the obligating actions will be in process, but will not have been completed. All costs reported by a contractor will be recorded. These costs will be reported in the monthly Preliminary Accrued Cost (PAC), the Financial and Contractual Status (FACS), General Ledger Accounts System (GLAS), and all other reports to Headquarters which include costs and will also be reported to Headquarters in accordance with the procedures set forth in FMM 9324.

## **9240-12 DEPRECIATION COSTS**

Costs for depreciation will not be recorded. Estimates of applicable depreciation costs will be made when determining prices based on the full cost of work for non-government sources.

## **9240-13 ACCRUED ANNUAL LEAVE**

Cost of annual leave will be accrued at fiscal year-end based on the difference between the leave liability as of the prior September 30 and the liability as of the current September 30. The leave accrual will be classified as an operating cost and charged to account 5610, UPN 038, fund 0. Leave, when taken, will be charged to account 5310, UPN 038, fund source 1.

## **9240-14 REPORTING**

Cost data shall be made available to management through routine reports that are prescribed for agency use or tailored to individual management needs.

### **a. INSTALLATION PROGRAM REPORTS**

- (1) Financial and Contractual Status (FACS) Reports



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- (a) The reports provide NASA's program and budget offices with data pertaining to funds and manpower utilization.
  - (b) Costs incurred are reported monthly in accordance with FMM 9321.
- (2) Preliminary Accrued Cost (PAC) Report
  - (a) This report provides a reasonably accurate summary of the accrued costs incurred in the R&D and SFCDC direct and selected reimbursable projects. See FMM 9323 for reporting requirements.
  - (b) The information is used to track costs on a flash basis against a monthly phased operating plan.
- (3) Costs Reported in Excess of Obligations. This report provides the detail data for those contracts whose cumulative cost exceed cumulative obligations. See FMM 9324 for reporting requirements.
- b. **REIMBURSABLE OBLIGATION AND COST REPORTING SYSTEM (ROCRS).** These reports identify all resource authority, obligations, costs, and paid billings by reimbursable agreement number (RAN) to provide all levels of management with the visibility necessary for decisions and to serve as a basis for reports to reimbursable customers. The data reflects all program year activity in the current fiscal year. See FMM 9330 for reporting requirements.
- c. **INSTALLATION FISCAL ACTIVITY REPORTS**
  - (1) General Ledger Accounts System (GLAS). The GLAS reports costs incurred using the 5000 series of the general ledger accounts as prescribed in FMM 9220. Each field Installation establishes and maintains the detailed cost accounts necessary for reporting to Headquarters and for meeting internal reporting requirements. See FMM 9341 for reporting requirements.
  - (2) Reconciliation of Costs to Obligations Report. The report is used to provide financial management and budget management with a reconciliation of accrued costs to obligations. The presentation provides the data needed to support the program and financing schedules contained in the annual agency budget estimates submitted to the Office of Management and Budget.
- d. **INSTALLATION FUNCTIONAL REPORTS**
  - (1) Functional Management System Reports. These reports are used to identify functionally the costs for on or near site activities. These costs are assigned function codes and predetermined fund sources to maintain appropriation barriers. See FMM 9121 for the function code definitions.
  - (2) Other Functional Reports. These reports provide analyses of Government-owned/held materials, fixed assets, operations and maintenance costs for administrative aircraft, and costs for the occupational health program. See FMM 9300 for the reporting requirements.



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- e. **INSTALLATION CIVILIAN PAY REPORTS.** These reports identify various regulatory civilian payroll reports required by the Office of Personnel Management. See FMM 9360 for reporting requirements.
- f. **INTERNAL INSTALLATION COST REPORTING.** These reports usually provide costs for individual Installation's needs which includes data elements to the lowest segment of work, i.e., sub-task and job order.



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## **FMM 9250 PROPERTY ACCOUNTING**



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## FMM 9251 GENERAL

### **9251-1 SCOPE**

- a. The major areas discussed in this chapter include Real Property, Capitalized Equipment, Inventory Government Owned/ Held, Fixed Assets in Progress, Government-Owned Contractor-Held Property, Transfers, Tracking Stations, Leases, Excess Property and Grants, Cooperative Agreements and Research Contracts. The requirements were developed in accordance with the GAO Policy and Procedures Manual For Guidance of Federal Agencies, Title 2 (Accounting) and the General Services Administration, Federal Property Management Regulations. The contents of this chapter were developed in coordination with NASA Property Management personnel, utilizing internal control concepts which meet the objectives of the Financial Management Integrity Act of 1984 and related GAO and OMB guidelines.
- b. This section provides the general policies and procedures to be utilized to ensure adequate financial control over government-owned property managed by NASA.

### **9251-2 GENERAL POLICY AND PROCEDURES**

- a. **GENERAL LEDGER CONTROL.** Accounting transactions affecting government-owned property managed by NASA including land, structures and facilities, equipment and inventories whether government-held or contractor-held shall be recorded in the general ledger asset accounts. The inputs to and maintenance of the general ledger will be in accordance with the procedures contained throughout this chapter and in FMM 9220.
- b. **DEPRECIATION ACCOUNTING.** The recording of depreciation for real or personal property will not be done for government-owned assets managed by NASA. Depreciation, however, shall be used as a factor in the computation of user charges.

### **9251-3 RESPONSIBILITIES**

Financial Management Officers are responsible for establishing and maintaining procedures to ensure that adequate financial controls are maintained and that financial records and reports accurately reflect the status of property under the cognizance of the Installation in accordance with the principles and policies prescribed herein. Financial Management Officers are also responsible for maintaining close liaison with property management personnel and others concerned with property to provide assurance that the values reported are accurate.



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## **9251-4    *IMPLEMENTATION***

Two copies of any implementing instruction which is contrary to the policies and procedures in the FMM should be forwarded to the Director, Financial Management Division, NASA Headquarters for approval. An explanation of the deviation should accompany the instruction.



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## FMM 9252 REAL PROPERTY

### **9252-1 SCOPE**

This section of the chapter prescribes the policies and procedures to be followed to provide adequate financial accountability and control of Government-Owned/Held real property. The procedures to be used to account for facilities work in progress and Government-Owned/Contractor-Held real property are contained in other sections of this chapter.

### **9252-2 DEFINITIONS**

- a. **COLLATERAL EQUIPMENT.** Encompasses building-type equipment, built-in equipment, and large substantially affixed equipment, which is normally acquired and installed as a part of a facility project.
- b. **NON-COLLATERAL EQUIPMENT.** Includes all equipment other than collateral equipment. Such equipment, when acquired and used in a facility or a test apparatus, can be severed and removed after erection or installation without substantial loss of value or damage thereto or to the premises where installed.

### **9252-3 CAPITALIZATION CRITERIA FOR REAL PROPERTY**

- a. Real property will be capitalized when the cost of acquiring and improving the asset is \$1,000 or more (\$5,000 or more beginning October 1, 1995).
- b. The capitalized value will represent the total cost to NASA which includes, but is not limited to the following:
  - (1) Acquisition and preparation costs of land, buildings and other facilities.
  - (2) Engineering, architectural and other outside services for designs, plans, specifications and surveys. In addition; civil service labor costs, routinely considered operating expenses, should be capitalized when Congress earmarks a separate line item in the budget to authorize an extraordinary direct involvement in a project which exceeds normal civil service labor activity and oversight.
  - (3) Legal and recording fees and damage claims.
  - (4) Transportation and Installation charges.
  - (5) Handling and storage costs.
  - (6) Collateral equipment required for activities in a building or facility.



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- c. Non-collateral equipment meeting the criteria for capitalization is recorded as personal property.

## **9252-4 TIMING OF CAPITALIZATION**

The real property fixed asset accounts will be updated at the time of (1) beneficial occupancy, (2) physical completion or (3) financial completion, whichever occurs first. Where actual costs are not available documented engineering estimates can be utilized. The capitalization of lease-purchase contracts is addressed in FMM 9259.

## **9252-5 FINANCIAL CONTROLS OVER REAL PROPERTY**

- a. Real property acquisitions, modifications, alterations and improvements that meet the criteria in 9252-3 will be recorded in general ledger account 1500, Fixed Assets, Government-Owned/Held. Account 1500 will be maintained with subsidiary accounts for each geographic location and the subsidiary accounts will in turn be supported by subaccounts which identify real property by type accounts which are explained in paragraph 6 below.
- b. The real property type accounts will be maintained at a summary level to simplify the reconciliation with amounts recorded in the detailed property records. The records of Financial Management Officers should not duplicate the detailed property records that are maintained by Real Property Accountable Officers in accordance with NMI 8800, as amended. To insure adequate internal control, the Financial Management Officer should independently develop entries to the financial records to the maximum extent practicable.
- c. The type account balances should be reconciled with the real property records at least semiannually. Resulting adjustments to either set of records should be made after the joint approval by both the Real Property Accountable Officer and the Financial Management Officer. A reconciliation should be performed to coincide with the submission of the Analysis of Fixed Assets Report (see FMM 9352).

## **9252-6 REAL PROPERTY TYPE ACCOUNTS**

- a. **TYPE ACCOUNTS.** Capitalized real property will be classified under one of the following type accounts which are listed in NASA Form 1134, Instructions and Real Property Codes for Completing NASA Forms 844, 845, 846, 847 and 1045 (see NMI 8800 as amended).

<u>TYPE ACCOUNT</u>	<u>TITLE</u>
1511	Land
1521	Buildings
1531	Other Structures and Facilities
1541	Leasehold Improvements



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## b. CLASSIFICATION

- (1) **Land.** Includes the cost of the land and mineral and water rights when the land is acquired in fee simple. The costs related to the acquisition and improvement of the land to obtain the current form and place should be included in the capitalized value.
- (2) **Buildings.** Includes the cost of the structure, capital improvements to the buildings and fixed equipment which are normally required for the functional use of the building and which cannot be removed without cutting into the walls, ceilings or floors, i.e. plumbing, heating and lighting equipment, elevators, central air conditioning and built-in safes and vaults.

This type account will include collateral equipment that is built-in, affixed to or installed in a building in such a manner that the installation cost including special foundations or unique utilities or the facility restoration cost after removal is substantial.

- (3) **Other Structures and Facilities.** Includes the cost of acquisitions and capital improvements of other structures and facilities such as airfield pavements, harbors and port facilities, power production and distribution systems, reclamation and irrigation facilities, flood control and navigation aids, and storage, industrial, service and research and development facilities other than buildings. This type account also includes utility systems (heating, sewage, water and electrical) when service is to several buildings or structures, communications systems, traffic aids, roads and bridges, railroads, monuments and memorials and other nonstructural improvements such as sidewalks, parking areas and fences.

This type account will include collateral equipment that is built-in, affixed to or installed in a structure or facility in such a manner that the installation cost including special foundations or unique utilities or the facility restoration cost after removal is substantial.

- (4) **Leasehold Improvements.** Includes NASA funded improvements relating to land, buildings and other facilities not owned by NASA but to which NASA has long-term rights, interests and privileges (more than three years) such as right-of-ways, permits, use agreements, water rights, air rights and mineral rights. The improvements will be capitalized when the cost of an individual improvement is \$1,000 or more (\$5,000 or more beginning October 1, 1995) and determined to be a capital asset.

Account 1541 should include subbreaks for amounts applicable to:

- (a) Rights, interests and privileges relating to land.
- (b) Improvements to buildings.
- (c) Improvements to other structures and facilities.



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The cost of NASA-owned buildings and other structures and facilities and improvements there-to located on land that is not owned by NASA will be included in Buildings (1521) or Other Structures and Facilities (1531) as appropriate.

## **9252-7 TYPICAL ACTIONS AFFECTING THE REAL PROPERTY ACCOUNTS**

- a. RECORDING AND CAPITALIZATION OF WORK IN PROGRESS FOR REAL PROPERTY. See FMM 9253.
- b. TRANSFERS FROM OTHER NASA INSTALLATIONS. Real property acquired by transfer from another NASA Installation will be recorded in the appropriate fixed asset account at (book cost) the net amount maintained in the books of the transferor. The offsetting entry will be to account 3810, Transfers of Fixed Assets Intra-NASA.
- c. TRANSFERS FROM OTHER FEDERAL AGENCIES. Real property acquired by transfer from other Federal agencies will be recorded at either the net book value of the transferor (capitalized value minus depreciation costs) when no reimbursement is made, or the amount of reimbursement to the transferor.

The offsetting entries in the general ledger will be to account 3820, Transfers of Fixed Assets Outside NASA, for amounts that are transferred and no reimbursement is made. The offsetting entries for reimbursed amounts will be recorded in accordance with FMM 9220.

- d. ACQUISITION BY DONATION. Real property acquired by donation, devise (bequeath), forfeiture, or confiscation will be recorded in the appropriate fixed asset account at a fair market value (e.g. appraised value obtained from an official appraiser). Costs incurred to place the property in use will also be included in the amount capitalized. The offsetting entry when recording the capitalized amount of the asset will be to account 3820, Transfers of Fixed Assets Outside NASA.
- e. CHANGES TO EXISTING REAL PROPERTY. The cost of additions, alterations, betterments, rehabilitations, or replacements that extend the useful life of the asset or its service capacity shall be capitalized if the costs are \$1,000 or more (\$5,000 or more beginning October 1, 1995).
- f. COLLATERAL EQUIPMENT. The cost of collateral equipment that is either part of the original facility construction, a replacement of collateral equipment or an addition to an already existing real property asset will be added to the book value of the asset when the cost of the equipment is \$1,000 or more (\$5,000 or more beginning October 1, 1995). If the actual cost is not available, an engineering estimate may be used.



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- g. **LEASEHOLD IMPROVEMENTS.** The cost of leasehold improvements will be recorded in accordance with FMM 9252-6b(4) and the amounts recorded will be validated semiannually.
- h. **AGREEMENTS WITH FOREIGN GOVERNMENTS AND PUBLIC BODIES.** The capitalization criteria for real property and leasehold improvements related to foreign governments and public bodies (state, local and municipal governments) is the same as stated in the above paragraphs. The transfer of property related to foreign governments and public bodies will be recorded in account 3820, Transfers of Fixed Assets Outside NASA.

## **9252-8 LOAN OF REAL PROPERTY TO OTHERS**

Real property made available to other government agencies or to public agencies on a loan basis without transfer of title will be retained in the real property fixed asset accounts. Records should be maintained to provide detailed information concerning this activity.

## **9252-9 DISPOSAL OF REAL PROPERTY**

- a. **TRANSFERS TO OTHER NASA INSTALLATIONS.** The transfer of real property to another NASA Installation will be recorded as a decrease to the fixed asset account of the transferor and an increase to the account of the transferee. The amount to be recorded should be the book value carried by the transferor and the offsetting entry for both installations will be account 3810, Transfers of Fixed Assets Intra-NASA.
- b. **TRANSFERS OF EXCESS REAL PROPERTY.** Real property that has been declared excess (excluding property in foreign countries) and accountability is transferred to another Federal agency or the title is transferred to a non-governmental entity, will be reflected as a decrease to the fixed asset accounts. The amount to be recorded should be the book value carried by the installation and the offsetting entry will be to account 3820, Transfers of Fixed Assets Outside NASA.

Reimbursements related to such transfers will be deposited to Special Fund Account 805005.2 (Land and Water Conversation Fund) effective through September 30, 2015.

- c. **EXCESS PROPERTY IN FOREIGN AREAS.** Real property located in foreign areas and declared excess should be disposed of under agreements with the foreign government having sovereignty over the property. The methods of disposal that can be utilized are:
  - (1) Donations to other U.S. Government agencies which should be reflected as a decrease to the fixed asset accounts for the amount of the book value carried by the Installation. The offsetting account will be 3820, Transfer of Fixed Assets Outside NASA.



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- (2) Donations to organizations, institutions, agencies or subdivisions of any foreign government or to private foreign institutions should be reflected as a decrease to the fixed asset accounts for the amount of the book value carried by the Installation. The offsetting account will be 3820, Transfers of Fixed Assets Outside NASA.
  - (3) The sale of surplus real property in foreign countries should be reflected as a decrease to the fixed asset accounts for the amount of the book value carried by the Installation. The offsetting account will be 3830, Cost of Property Retired. The proceeds of such sales will be deposited to account 803220, General Fund Proprietary Receipts, Not Otherwise Classified.
- d. **SALE OF SURPLUS REAL PROPERTY.** The proceeds from the sale of surplus real property (other than property in foreign countries) will be deposited using the following procedures until September 30, 2015.
  - (1) Real property proceeds that are separately identifiable from personal property and personal property proceeds that are not separately identifiable from associated real property shall be deposited to the Special Fund Account 805005.2 (Land and Water Conservation Fund, Surplus Property Sales).
  - (2) Personal property sold that is separately identifiable from real property will be deposited to account 803220, General Fund Proprietary Receipts, Not Otherwise Classified.
- e. **ABANDONMENT AND DESTRUCTION.** Real property abandoned or destroyed will be recorded against account 3830, Cost of Property Retired with a corresponding reduction to the fixed asset accounts. The amount recorded should be the book value of the asset.
- f. **REMOVALS WITHOUT REPLACEMENT.** The removal of an asset without replacement will be recorded against account 3830, Cost of Property Retired with a corresponding reduction to the fixed asset accounts. The amount recorded should be the book value of the asset.
- g. **RETIREMENTS OF COMPONENTS OF REAL PROPERTY.** The retirement of a component of real property occurs when a part of an individual real property asset is removed, transferred, sold, abandoned or demolished. The component can consist of a major portion of a building, collateral equipment or a small portion of the individual asset.

The book cost of the component will be removed from the 1500 account at the time of retirement. If the component is classified as excess, then the book cost will be identified as Personal Property Held by the Property Disposal Officer and will be recorded in the 1800 account until disposal.



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Components which should be recorded as reductions to the real property accounts when retired include such things as major portions of a building or structure, an elevator, a built-in safe and selected sections or portions of collateral equipment or systems such as a transformer, generator, a large horsepower motor (over 3 hp), a master control panel or a significant portion of piping, wiring, etc. The remaining value of the real property asset must meet the capitalization criteria in paragraph 9252-3 otherwise the asset must be removed from the real property accounts.

- h. **LEASEHOLD IMPROVEMENTS.** The disposition of leasehold improvements will be recorded as a reduction to account 1541, Leasehold Improvements in the amount of the recorded book cost. The offsetting entries will be:
  - (1) In the case of a transfer; account 3810, Transfers of Fixed Assets Intra-NASA or account 3820, Transfers of Fixed Assets Outside NASA, as appropriate.
  - (2) In the case of disposition to the owner of the premises or the grantor of a sublease in satisfaction of a contractual obligation to restore the premises or by removal from the premises or by abandonment, account 3830, Cost of Property Retired will be charged.

## **9252-10 REPORTING**

Real Property costs are reflected in the Analysis of Fixed Assets Report which is submitted in accordance with FMM 9352.



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## FMM 9253 FIXED ASSETS IN PROGRESS

### **9253-1 SCOPE**

This section of the chapter prescribes the policies and procedures to be followed when accumulating and reporting the costs associated with long-term contracts awarded for the manufacture and construction of facilities and equipment. Additions, expansions, extensions, conversions, modifications and improvements to real property and collateral and noncollateral equipment under a construction project are also covered by this chapter.

### **9253-2 DEFINITIONS**

The definitions in FMM 9020 and other parts of this chapter should be referred to if required.

### **9253-3 CAPITALIZATION CRITERIA FOR FIXED ASSETS IN PROGRESS**

The costs of structures or facilities and the associated collateral equipment, which meet the criteria in FMM 9252, should be recorded as capitalized fixed assets in the appropriate subsidiary account 1511 (Land), 1521 (Buildings), 1531 (Other Structures and Facilities), or 1541 (Leasehold Improvements). The costs identified as noncollateral equipment which meet the capitalization criteria in FMM 9255 should be recorded in subsidiary account 1550, Capitalized Equipment.

### **9253-4 TIMING OF CAPITALIZATION**

- a. **GENERAL.** The financial management office will work with the project manager and the Real Property Accountable Officer to identify and reconcile the amounts that should be included in the fixed asset accounts. Fixed assets in progress are generally capitalized at the time of:
  - (1) **Beneficial Occupancy.** At the time a building, structure or other facility is accepted for beneficial occupancy, the costs to date will be capitalized in the appropriate fixed asset accounts; or
  - (2) **Physical Completion.** The physical completion of a building, structure or other facility prior to beneficial occupancy or financial completion will be the basis for the capitalization of projects that have been recorded as fixed assets in progress; or



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- (3) **Financial Completion.** The financial completion of a building, structure or other facility prior to beneficial occupancy or physical completion will be the basis for the capitalization of projects that have been recorded as fixed assets in progress.

Capitalization can occur prior to the recording of all financial transactions or before physical completion is accomplished when it appears that a prolonged period of time will lapse before final claims, disputes, holdbacks, etc. are recorded.

- b. **CONSTRUCTION PERFORMED BY OR THROUGH FOREIGN GOVERNMENTS OR IN FOREIGN COUNTRIES UNDER NASA CONTRACTS.** The cost of facilities constructed by or through foreign governments or in foreign countries under NASA contracts will be capitalized in accordance with the title rights contained in formal agreements. In cases where title rights are reserved to either NASA or both NASA and the foreign country pending further agreement, the facilities will be capitalized and recorded in the fixed asset accounts.

## **9253-5 FINANCIAL CONTROLS OVER FIXED ASSETS IN PROGRESS**

Financial Management Officers are responsible for identifying the costs that should be capitalized and maintaining the financial records in accordance with prescribed principles and procedures. The Financial Management Officer will maintain cost records for each facility project in progress. The accounting data base should be the source of information to support entries to the general ledger work in progress accounts. Source documents which support the costs recorded in the general ledger will be maintained in a manner which facilitates the classification of costs in accordance with NASA Facility Classification Codes for Real Property which are listed in NASA Form 1134, Instructions and Real Property Codes for Completing NASA Forms 844, 845, 846, 847 and 1045 (see NMI 8800 as amended).

The recording of cost should be done in accordance with FMM 9060, Accrual Accounting. Facility projects that meet the requirements for work in progress should be separately identified in the accounting system through job order numbers, contract numbers or a work order system.

The costs will be segregated to identify structure or facility costs, operating expenses, collateral equipment and noncollateral equipment. Structure and facility costs should be included in work in progress costs. Operating expenses will not be included in the amounts that are recorded as work in progress. Collateral equipment costs should be included as part of the work in progress costs associated with the facility project to which the equipment is collateral. Noncollateral equipment which meets the capitalization criteria should be recorded in the capital asset accounts at the time of receipt, in accordance with FMM 9255.



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The Real Property Accountable Officer is responsible for furnishing to the Financial Management Officer the information necessary to identify the costs that are applicable to fixed assets in progress.

## **9253-6    *TYPICAL ACTIONS AFFECTING FIXED ASSETS IN PROGRESS ACCOUNTS***

The general ledger accounts and pro forma entries for recording work in progress are contained in FMM 9220. The costs that should be included in fixed assets in progress and subsequently capitalized as real property are identified in FMM 9252, Real Property and FMM 9257, Government Owned/Contractor Held Property.

## **9253-7    *REPORTING***

Fixed Assets in Progress costs are reflected in the General Ledger Accounts System (GLAS) and the Assets in Progress by Geographic Location Report, which are submitted in accordance with FMM 9341 and 9391 respectively.



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## **FMM 9254 INVENTORIES, GOVERNMENT-OWNED/HELD**

### **9254-1 SCOPE**

This section of the chapter prescribes the policies and procedures to be followed when recording and reporting Government-Owned/Held materials that are maintained under inventory control.

### **9254-2 DEFINITIONS**

- a. **STORES STOCK (Account 1210).** Material being held in inventory by an Center which is repetitively procured, stored and issued on the basis of recurring demand.
- b. **PROGRAM STOCK (Account 1230).** Material acquired, by direct purchase or by issue from Stores Stock, for a specific program and stored until required by the program.
- c. **STAND-BY STOCK (Account 1220).** Material held for emergencies.

### **9254-3 CRITERIA FOR RECORDING INVENTORIES**

Inventory will be recorded at invoice price, less trade discounts. Cash discounts, when taken, are credited to the appropriate cost account 5X10 or 7X10. Transportation, handling and storage costs, should be recorded as inventory assets when included as part of the purchasing document (i.e., purchase order or contract) and readily and distinctly related to an individual item purchased.

Each replenishment of inventory through procurement or transfer will require a redetermination of the stock unit price based on the weighted moving average.

### **9254-4 TIMING OF RECORDING**

The inventory general ledger accounts should be updated on a monthly basis. Adjustments to the general ledger based on reconciliations with the property records should be recorded to coincide with month-end close outs and the annual reporting of materials inventory.



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## **9254-5 FINANCIAL CONTROLS OVER INVENTORIES**

Inventories, Government-Owned/Held will be maintained in each Center's general ledger for the recording of inventories. Entries to the general ledger (as identified in FMM 9220) will be made on the basis of data provided by the Director, Security, Logistics and Industrial Relations Division. The Inventories, Government-Owned/Held will be supported by subsidiary ledgers for each type account. Each subsidiary ledger will be supported by subaccounts which will identify the inventory by status code (i.e., Stores Stock, Program Stock, or Stand-by Stock) as defined in NHB 4100.1.

These subsidiary accounts will be recorded in general ledger account 1210, Inventories, Store Stock, Government-Owned Held, 1220, Inventories, Stand-by Stock Government-Owned/Held and 1230, Inventories Program Stock Government-Owned/Held. Detailed inventory records maintained by the Director, Security, Logistics and Industrial Relations Division and subsidiary ledgers maintained by the Deputy Chief Financial Officer (DCFO) (Finance) will be reconciled annually. Subsidiary ledger balances will be reconciled monthly to the general ledger control account.

## **9254-6 INVENTORY TYPE ACCOUNTS AND FEDERAL SUPPLY CLASSIFICATIONS**

- a. **INVENTORY TYPE ACCOUNT NUMBERS AND TITLES.** General ledger subsidiary account classifications for Government-Owned/Held inventories are as shown in subparagraph b below. The total of the subsidiary type accounts must equal the total general ledger control account 1200. New type accounts shall not be established unless first approved by the Director, Financial Management Division, and the Director, Security, Logistics and Industrial Relations Division, NASA Headquarters.
- b. **FEDERAL SUPPLY CLASSIFICATIONS (FSC).** Each inventory type account is related to specific Federal Supply Classification Groups as indicated in the following FMM Appendix 9121-57A, Object Class 2600, Supplies and Materials.

## **9254-7 TYPICAL ACTIONS WHICH AFFECT THE INVENTORY ACCOUNTS**

- a. **ACQUISITION OF INVENTORY.** Additions to inventory acquired by purchase will be recorded in general ledger accounts 1210, 1220 or 1230, in accordance with FMM 9254-3 and will be coded in the Center accounting system with the appropriate 26XX object class.



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Additions to inventory by transfers from other NASA Centers or other Federal agencies will be recorded in general ledger accounts 1210, 1220 or 1230 at the price actually paid for the material. If no payment is made for the item transferred, then the item will be picked up at the lower of the net book value of the transferor or the fair market value.

- b. **ISSUES.** Items requisitioned from inventories will be costed by Financial Management based on data supplied by the Director, Security, Logistics and Industrial Relations Division. The general ledger entries to record the issuance of inventories are contained in FMM 9220.
- c. **ADJUSTMENTS.** Any changes in inventory balances caused by or resulting from physical inventory differences, errors, losses, damage and destruction, etc., will be recorded in the inventory accounts 1210, 1220 or 1230 with offsetting entries to account 5610 when Program Stock, or the appropriate 5X10 or 7X10 account when Stores Stock or Stand-by Stock. Adjustments to Store Stock and Stand-by Stock inventories should be reflected in the appropriated fund accounts as a disbursement or a refund, as appropriate.

The financial records will be adjusted based on data provided by the Director, Security, Logistics and Industrial Relations Division which reflects adjustments to the property records that are approved by designated officials in accordance with NHB 4100.1.

## d. **RETURNS TO INVENTORY**

- (1) Items returned to the inventory, for credit or without credit, will be recorded in accounts 1210, 1220 or 1230 at the lower of the original issue price or the current issue price.
- (2) The return of items issued from Stores Stock or Standby Stock will be recorded as a debit to 1210, 1220 or 1230 and a credit to 5X10 or 7X10 when a refund is given to the returning activity's appropriated fund accounts.
- (3) The return of items issued from Program Stock will be recorded as a debit to 1210, 1220 or 1230 with a credit to 5610 and no refund to the returning activity's appropriated funds will be recorded.
- (4) Credits to appropriated fund accounts for Stores Stock or Standby Stock returns will not be processed when the initial activity charged cannot be determined. The 1210, 1220 or 1230 accounts should be updated in accordance with FMM 9254-7 d(1) with a credit entry to account 5610.



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## **9254-8    *DISPOSAL OF INVENTORY***

- a. **TRADE-IN.** When items under inventory control are used for trade-in purposes on similar items, the book value of the item traded in will be removed from the 1210, 1220 or 1230 inventory accounts with an offset to accounts 5610, 7X10 or 5X10, as appropriate. The items purchased will be recorded in the 1210, 1220 or 1230 inventory accounts in accordance with FMM 9254-7a including the amount of the allowance for trade-in. The offset entry for the amount of the trade-in will be to the 5610 account.
- b. **TRANSFER TO PDO.** Documentation supporting the transfer of excess inventory from the inventory general ledger accounts 1210, 1220 or 1230 to accounts 1810, Other Assets, Personal Property Held for Disposal-Capital Equipment or 1820, Other Assets, Personal Property Held for Disposal-Non-Capital will be furnished by the Director, Security, Logistics and Industrial Relations Division, in accordance with FMM 9254-5 and 9259-27, to the Financial Management Officer for recording in the general ledger accounts. Transfers of excess inventory to other NASA Centers and other Federal Agencies will be handled by the Property Disposal Officer (PDO).

## **9254-9    *REPORTING***

Inventories, Government-Owned/Held are reflected in the Analysis of Inventories Report which is submitted in accordance with FMM 9351.



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## **FMM 9255 PERSONAL PROPERTY (CAPITALIZED EQUIPMENT)**

### **9255-1 SCOPE**

This section of the chapter prescribes the policies, procedures and capitalization criteria for recording and reporting Government-Owned/Held personal property. The procedures to be used to account for personal property in the possession of contractors, grantees and research contractors are contained in other sections of this chapter.

### **9255-2 DEFINITIONS**

- a. **CAPITALIZED EQUIPMENT.** Equipment with a unit cost of \$5,000 or more and a useful life of two years or more, which will not be consumed in an experiment.
- b. **EXPENSED EQUIPMENT.** Equipment with a unit cost of less than \$5,000 or having a useful life of less than two years or that will be consumed in an experiment will be expensed in the general ledger as a current year cost.
- c. **CONTROLLED EQUIPMENT.** Controlled equipment includes: (1) noncapitalized equipment with a unit cost between \$1,000 and \$4,999, (2) capitalized equipment with a unit cost of \$5,000 or more and (3) specific items costing less than \$1,000 which have been designated as sensitive items.
- d. **SENSITIVE ITEMS.** Items that require a stringent degree of control due to the high possibility of theft or of being a hazard. A sensitive item must be controlled, regardless of value and can be either capitalized or noncapitalized equipment.
- e. **EXPERIMENTAL EQUIPMENT.** Equipment that is acquired or fabricated for the primary purpose of being experimented upon as distinguished from being used for conducting experiments on other things. Experimental equipment will not be capitalized, but should be recorded as a current year expense.

### **9255-3 CAPITALIZATION CRITERIA FOR CAPITALIZED EQUIPMENT**

- a. Equipment with a unit cost of \$5,000 or more and a useful life of two years or more which will not be consumed in an experiment will be capitalized. The following items will be included in the amount capitalized.
  - (1) Unit cost.
  - (2) Transportation and Installation charges.
  - (3) Handling and storage costs.



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Note: When the costs related to items (2) and (3) are not part of the purchasing document (i.e., purchase order or contract) and are not readily and distinctly related to an individual item purchased, the costs must be treated as an expense and charged to the 5X10 account.

The costs recorded should be net of trade discounts. Payment discounts, when taken, are credited to the appropriate 5X10 account.

For a NASA in-house fabricated item, the acquisition cost will

include design and development costs only, i.e., Phase C and D costs in accordance with NHB 7120.5, Management of Major System Programs and Projects.

For a non-NASA fabricated/manufactured item, the acquisition cost will be the purchase price of the unit and, if capital equipment, will include transportation, installation, handling, and storage costs, if these costs are part of the purchasing document, i.e., purchase order or contract.

The cost of extended warranties should be expensed at the time of payment and not be included in the amount capitalized.

Locally constructed equipment with a fair market value of \$5,000 or more and a useful life of two years or more that will not be consumed in an experiment should be capitalized when accepted for operational use.

- b. Noncollateral equipment relating to a facility project and meeting the capitalization criteria will be recorded as capitalized equipment. Collateral equipment relating to a facility project will be recorded as real property.

## **9255-4 TIMING OF CAPITALIZATION**

The steps taken by the Installation to record capitalized equipment should include the following:

- a. The receipt and acceptance of the equipment will be recorded as an increase to current year costs (account 5X10) with an offsetting entry to accounts payable (account 20X0).
- b. Equipment identified as being subject to capitalization shall be recorded as an increase to Fixed Assets in Progress (account 5X20) or Fixed Assets, Government-Owned/Held (account 1500) with an offsetting entry to Closing of Current Year Costs to Fixed Assets in Progress (account 5X30).
- c. The capitalization of the costs in the accounting system would be recorded as an increase to the Fixed Assets Government-Owned/Held (account 1500) with an offsetting entry to Fixed Assets in Progress (account 5X20).



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## **9255-5 FINANCIAL CONTROLS OVER CAPITALIZED EQUIPMENT**

- a. Capitalized equipment costs will be recorded in general ledger control account 1500, Fixed Assets, Government-Owned/Held and subsidiary account 1550, Capitalized Equipment. Account 1550 will be supported by a subsidiary account for each location. Each location will be supported by subsidiary accounts which identify the equipment by type accounts which are explained in paragraph 6 below.
- b. The purchase of capitalized equipment will be coded with the appropriate 31XX object class codes in the installation's accounting system. The purchase of all other equipment should be coded with the appropriate 26XX object class codes indicating a supplies and materials purchase. Specific object class codes are listed in FMM 9100.
- c. The records updated by financial management will not duplicate the detailed property records maintained in the NASA Equipment Management System (NEMS) by the Supply and Equipment Management Officer in accordance with NHB 4200.1.
- d. The data entered into the accounting system will be independently developed by the accounting personnel and reconciled to the property records.
- e. The Financial Management Officer and Supply and Equipment Management Officer records will be reconciled on a semiannual basis. The reconciliation should be performed to coincide with the submission of the jointly signed Analysis of Fixed Assets Report (see FMM 9352).

## **9255-6 EQUIPMENT TYPE ACCOUNTS AND FEDERAL SUPPLY CLASSIFICATIONS**

- a. **EQUIPMENT TYPE ACCOUNTS.** General ledger subsidiary accounts for capitalized equipment will be maintained by type accounts 1551 thru 1563. The total of the subsidiary accounts shall equal the balance in 1550, Capitalized Equipment.
- b. **FEDERAL SUPPLY CLASSIFICATION.** The Federal Supply Classification Groups that should be included in each equipment type account are listed in the following table:
  - (1) **1551 Mechanical Equipment.** Consists of capital equipment included in the following FSC Groups:

28	Engines, Turbines and Components
30	Mechanical Power Transmission Equipment
31	Bearings
35	Service and Trade Equipment
36	Special Industry Machinery



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- 37 Agricultural Machinery and Equipment
- 38 Construction, Mining, Excavating, and Highway Maintenance Equipment
- 41 Refrigeration, Air-Conditioning, and Air Circulating Equipment
- 42 Fire Fighting, Rescue and Safety Equipment
- 43 Pumps and Compressors
- 44 Furnace, Steam Plant, Drying Equipment; and Nuclear Reactors
- 45 Plumbing, Heating, and Sanitation Equipment
- 46 Water Purification and Sewage Treatment Equipment
- 47 Pipe, Tubing, Hose and Fittings
- 48 Valves

(2) **1552 Laboratory Equipment.** Consists of capital equipment included in the following FSC Groups.

- 65 Medical, Dental, and Veterinary Equipment and Supplies
- 66 Instruments and Laboratory Equipment
- 88 Live Animals

(3) **1553 Shop Machinery and Equipment.** Consists of capital equipment included in the following FSC Groups:

- 32 Woodworking Machinery and Equipment
- 34 Metalworking Machinery
- 49 Maintenance and Repair Shop Equipment
- 51 Hand Tools
- 52 Measuring Tools

(4) **1554 Photographic Equipment.** Consists of capital equipment included in the following FSC Group:

- 67 Photographic Equipment

(5) **1555 Electrical and Electronic Equipment.** Consists of capital equipment included in the following FSC Groups:

- 58 Communication, Detection and Coherent Radiation Equipment
- 59 Electrical and Electronic Equipment Components
- 60 Fiber Optics Materials, Components, Assemblies, Accessories
- 61 Electric Wire and Power and Distribution Equipment
- 62 Lighting Fixtures and Lamps
- 63 Alarm, Signal and Security Detection Systems

(6) **1556 Training Aids and Devices.** Consists of capital equipment included in the following FSC Group:

- 69 Training Aids and Devices



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(7) **1557 Furniture.** Consists of capital equipment included in the following FSC Groups:

- 71 Furniture
- 72 Household and Commercial Furnishings and Appliances
- 75 Office Supplies and Devices
- 76 Books, Maps and Other Publications

Also includes those items of capital equipment classified under the following Federal Supply Classes:

- 7420 Accounting and Calculating Machines
- 7430 Typewriters and Office Type Composing Machines
- 7450 Office Type Sound Recording and Reproducing Machines
- 7460 Visible Record Equipment
- 7490 Miscellaneous Office Machines

(8) **1558 Motor Vehicles and Transportation Equipment.** Consists of capital equipment included in the following FSC Groups:

- 19 Ships, Small Craft, Pontoons, and Floating Docks
- 20 Ship and Marine Equipment
- 22 Railway Equipment
- 23 Ground Effects Vehicles, Motor Vehicles, Trailers and Cycles
- 24 Tractors
- 25 Vehicular Equipment Components
- 26 Tires and Tubes
- 39 Materials Handling Equipment

(9) **1559 Aircraft.** Consists of capital equipment included in the following FSC Groups:

- 15 Aircraft and Airframe Structural Components
- 16 Aircraft Components and Accessories
- 17 Aircraft Launching, Landing, and Ground Handling Equipment

(10) **1560 Personal Services Equipment.** Consists of capital equipment included in the following FSC Groups:

- 73 Food Preparation and Serving Equipment
- 77 Musical Instruments, Phonographs, and Home-Type Radios
- 78 Recreational and Athletic Equipment
- 84 Clothing, Individual Equipment, and Insignia
- 85 Toiletries
- 89 Subsistence



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(11)**1561 Space Vehicles.** Consists of capital equipment included in the following FSC Groups:

- 14 Guided Missiles
- 18 Space Vehicles

(12)**1562 Miscellaneous Equipment.** Consists of capital equipment included in the following FSC Groups:

- 10 Weapons
- 11 Nuclear Ordinance
- 12 Fire Control Equipment
- 13 Ammunition and Explosives
- 29 Engine Accessories
- 40 Rope, Cable, Chain, and Fittings
- 53 Hardware and Abrasives
- 54 Prefabricated Structures and Scaffolding
- 55 Lumber, Millwork, Plywood and Veneer
- 56 Construction and Building Materials
- 68 Chemicals and Chemical Products
- 79 Cleaning Equipment and Supplies
- 80 Brushes, Paints, Sealers and Adhesives
- 81 Containers, Packaging, and Packing Supplies
- 83 Textiles, Leathers, Furs, Apparel and Shoe Findings, Tents and Flags
- 87 Agricultural Supplies
- 91 Fuels, Lubricants, Oils and Waxes
- 93 Nonmetallic Fabricated Materials
- 94 Nonmetallic Crude Materials
- 95 Metal Bars, Sheets, and Shapes
- 96 Ores, Minerals, and Their Primary Products
- 99 Miscellaneous

(13)**1563 Automatic Data Processing Equipment.** Consists of all EDP, EAM and necessary peripheral equipment which meets the capitalization criteria. More specifically, includes the Central Processor (Main Frame), tape units, power units, printer, random access attachments, consoles, inquiry stations, card readers, storage units, key-punch machines, sorters, verifiers, collators, tabulators, transceivers, fixed terminal equipment for data transmission acquired primarily for ADP use, etc.

Excludes analog computers except when peripheral to a digital computer, and also excludes the above items when:

- (a) Such items are physically incorporated into a facility or system operation which is not primarily ADP;



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- (b) Data Processing components or related items are being designed or developed as part of an approved NASA research and development project or task.

This equipment is included in the following Federal Supply Classification:

- 70 General Purpose Automatic Data Processing Equipment (Including Firmware), Software, Supplies and Support Equipment

## **9255-7 TYPICAL ACTIONS AFFECTING THE EQUIPMENT ACCOUNTS**

- a. **TRANSFERS FROM OTHER NASA INSTALLATIONS.** Capitalized equipment acquired by transfer from another NASA Installation will be recorded in the appropriate fixed asset account at the net amount maintained in the books of the transferor. The offsetting entry will be to account 3810, Transfers of Fixed Assets Intra-NASA.
- b. **TRANSFERS FROM OTHER FEDERAL AGENCIES.** Capitalized equipment acquired by transfer from other Federal agencies will be recorded at the net book value of the transferor (capitalized value minus depreciation costs) if no reimbursement is made or the amount of reimbursement to the transferor.
- c. The offsetting entries in the general ledger will be to account 3820, Transfers of Fixed Assets Outside NASA for amounts that are transferred and no reimbursement is made. The offsetting entries for reimbursed amounts will be recorded in accordance with FMM 9220.
- d. **ACQUISITION BY DONATION.** Capitalized equipment acquired by donation, devise (bequeath), forfeiture, or confiscation will be recorded in the appropriate fixed asset account at the fair market value. The offsetting entry will be to account 3820, Transfers of Fixed Assets Outside NASA.
- e. **EQUIPMENT MODIFICATIONS.** The cost of modifications to capitalized equipment will be included in the book value of the asset when the costs exceed \$1,000. Modifications that do not exceed \$1,000 should be recorded as a current year cost.

## **9255-8 SALE AND REPLACEMENT OF PERSONAL PROPERTY**

- a. Proceeds from the sale of personal property processed in accordance with FPMR 101-46.2, can be applied to the purchase of replacements if all the following criteria are applied:
  - (1) The item to be replaced is identified as such before the item is offered for sale.



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(2) The proceeds from the sale are applied to the replacement purchase on a one item sold, one item purchased basis. The Federal Property Management Regulations (FPMR) provide for two exceptions. Title 41, Part 101-46, Section 202(b)(3)(i) and (ii) are quoted as follows:

- (a) The items acquired must perform all or substantially all of the tasks in which the old items would otherwise be used; and
- (b) The items sold or exchanged and the items acquired are parts or containers for identical or similar end items.

(3) The proceeds from the sale are obligated for the replacement purchase during the fiscal year in which the sale is made or the next fiscal year.

(4) The item sold is in the same Federal Supply Classification Group as the replacement purchase.

NOTE: In the case of personal property not in the same classification group, the item to be acquired can qualify if it is designed and constructed for the same purpose as the item to be replaced.

b. The disposition of funds collected from the sale of personal property should be accomplished utilizing the following parameters:

- (1) If it is determined at the time of collection that the funds will not be used to purchase a replacement item, then the funds should be deposited to account 803220, General Fund Proprietary Receipts, Not Otherwise Classified.
- (2) If at the time of collection the replacement purchase has not been obligated, then the proceeds should be deposited to account 80F3875, Budget Clearing Account. The portion of the suspense account applicable to replacement purchases should be reviewed on a quarterly basis and funds that have exceeded the time parameters in 9255-8a(3) or otherwise been identified as not being used for replacement purchases should be transferred to account 803220, General Fund Proprietary Receipts, Not Otherwise Classified.
- (3) If at the time of collection an obligation has already been processed to purchase the replacement, then the funds can be utilized using either of the following techniques.
  - (a) A reimbursable agreement can be established for the amount of the funds collected from the sale of the equipment. This agreement would be used to fund a portion of the replacement purchase up to the amount collected from the sale of the old equipment.

After payment is made for the equipment, then the collection which is deposited in account 80F3875 would be transferred for reimbursement to the procuring appropriation.



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- (b) A refund, to the appropriation that funded the replacement purchase, can be processed at the time of collection thus reducing the appropriation expenditures by the amount collected from the sale of the equipment.
- (4) If the obligation to procure the replacement purchase is processed after the collection from the sale, then either technique mentioned in (3) above can be used and the funds deposited in accordance with (2) above can be transferred for reimbursement or refund to the procuring appropriation.

## **9255-9 BORROWED OR LOANED CAPITALIZED EQUIPMENT**

Capitalized equipment borrowed from other organizations is not recorded in the financial records. Capitalized equipment on loan to other organizations is retained in the financial records; accountability is maintained by the Supply and Equipment Management Officer of the loaning Installation.

## **9255-10 DISPOSAL OF CAPITALIZED EQUIPMENT**

- a. **TRANSFERS TO OTHER NASA INSTALLATIONS.** Capitalized equipment transferred to other Installations should be recorded as a reduction to the fixed asset accounts for the book value of the asset. Transfer documents will be prepared in accordance with FMM 9259-16. The offsetting entry will be to account 3810, Transfers of Fixed Assets Intra-NASA.
- b. **TRANSFER TO OTHER FEDERAL AGENCIES.** Capitalized equipment transferred to other federal agencies should be recorded as a reduction to the fixed asset accounts for the book value of the asset. The offsetting entry will be to account 3820, Transfers of Fixed Assets Outside NASA.
- c. **LOSSES BY THEFT, DESTRUCTION, ETC.** The book value of capitalized equipment that is lost, stolen, or destroyed will be removed from the asset accounts with the offsetting entry being made to account 3830, Cost of Property Retired.
- d. **TRADE-IN.** The trade-in of capitalized equipment for another piece of capitalized equipment will be recorded as a reduction to the fixed asset accounts for the book value of the asset traded in. The offsetting entry will be to account 3830, Cost of Property Retired.
- e. The new asset will have a capitalized value which includes the unit cost of the asset plus the allowance for the trade-in. The offsetting entries to the recording of the new asset will be to account 3830, Cost of Property Retired for the amount of the trade-in allowance.
- f. **TRANSFERS TO THE PROPERTY DISPOSAL OFFICER.** The transfer of capitalized equipment to the Property Disposal Officer (PDO) will be recorded as a reduction to the fixed asset accounts for the book value of the assets. The contra entry will be to account 1800, Personal Property Held by the Property Disposal Officer (see FMM 9259-27).



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## **9255-11 REPORTING**

Capitalized Equipment costs are reflected in the Analysis of Fixed Assets Report which is submitted in accordance with FMM 9352.



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## FMM 9256 TRACKING STATIONS

### **9256-1 SCOPE**

This section of the chapter prescribes the policies and procedures to be followed in maintaining financial accountability for NASA-Owned/Held fixed assets located throughout the world at tracking facilities and network stations.

### **9256-2 CATEGORIZATIONS**

The following descriptions are uniquely applicable to this section of the chapter and should be used to verify the categorization of fixed assets as reported by property management personnel.

- a. **ANTENNA SYSTEM.** Antenna systems include the structural parts (foundations, towers, dishes, walls, pits, etc.) and collateral and noncollateral equipment which are an integral part of a system that has a dish which is 30 feet or greater in diameter. The whole system will be recorded as real property.

Buildings and structures that are part of the facility, but not part of the antenna system should be recorded separately.

Other facilities and structures such as water, air, electricity, etc. that operate separately and are connected to the antenna system should be recorded separately.

- b. **TRACKING FACILITIES AND NETWORK PROPERTY.** Real and personal property obtained primarily to assist in the tracking of objects in space are classified as tracking facilities and network property. Tracking facilities include communication equipment and systems plus data acquisition equipment used for launch operations, including lift-off to orbit and after orbit.

Buildings and structures which have multiple functions, and are used less than 50 percent of the time for tracking activities should be excluded from this category.

### **9256-3 RESPONSIBILITIES**

Financial Management Officers, Real Property Accountable Officers and Supply and Equipment Management Officers are responsible for maintaining records and reporting accurately, in accordance with prescribed principles and procedures, the status of fixed assets at tracking facilities and network stations under the cognizance of the Installation.



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## **9256-4 FINANCIAL CONTROLS OVER TRACKING STATION FIXED ASSETS**

- a. Financial fixed asset records for tracking facilities and network stations will be maintained and reported by geographic location. The standard coding for identifying each location is contained in FMM Appendix 9256-4A.

The Appendix lists the standard location code for each tracking facility and network station by type of network and also designates the installation responsible for the recording and reporting of fixed assets for each location.

The codes will be used on all fixed asset documents pertaining to tracking facilities and network stations.

The assignment of the codes is controlled by the Financial Management Division, NASA Headquarters in coordination with the Office of Space Tracking and Data Systems.

- b. NASA-owned fixed assets located at Department of Defense or other agencies' facilities will be managed by the responsible NASA official through periodic reports and information supplied by the facility management. Agreements should be obtained from the facility management when the content and frequency of data does not coincide with NASA procedures.
- c. The disposal of fixed assets at closed locations will be reported as a zero closing balance on the September 30 report following the disposal and then dropped from future reporting.

## **9256-5 REPORTING**

Tracking Stations costs are reflected in the Analysis of Fixed Assets Report which is submitted in accordance with FMM 9352.

## **9256-4A SITE LOCATIONS AND CODES BY TYPE OF NETWORK**



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## **FMM 9257 GOVERNMENT-OWNED/CONTRACTOR-HELD PROPERTY**

### **9257-1 SCOPE**

This section of the chapter sets forth policies and procedures to be used by NASA Centers in accounting for Government-owned/contractor-held property. It describes how data from contractors' records are reported and entered in NASA's accounts. Contractors' procedures are not covered except to the extent that such procedures must produce the information required by NASA to maintain accurate records of the property. Government-owned/contractor-held property used in the performance of a contract may be Government-furnished or contractor-acquired.

### **9257-2 DEFINITIONS**

The definitions in the FAR, NASA FAR Supplement (NFS) 1845.7101 and FMM 9020 should be referred to if required.

### **9257-3 CAPITALIZATION CRITERIA FOR GOVERNMENT-OWNED/CONTRACTOR-HELD PROPERTY**

Government-furnished or contractor-acquired property to which NASA has title will be reported by contractors to NASA when it meets the following criteria.

- a. **REAL PROPERTY.** All Government-furnished or contractor-acquired real property which meets capitalization criteria in FMM 9252-3.
- b. **INVENTORIES.** See FMM 9254-3.
- c. **CAPITALIZED EQUIPMENT.** All Government-furnished or contractor-acquired equipment which meets the capitalization criteria in FMM 9255-3.

### **9257-4 TIMING OF CAPITALIZATION**

- a. Government policy dictates that contractors in possession and control of Government property keep the official records and that duplicate records shall not be maintained by the Government (except in specified circumstances), as provided in the Federal Acquisition Regulation (FAR), Subparts 45.102, 45.105 and 45.505. In accordance with this policy, NASA will utilize available information for recording property transactions and making adjustments to the appropriate accounts. This information includes shipping, transfer, or other source documents prepared for transfers between NASA and its contractors, as well as billings and NASA Form (NF) 1018's.



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## b. RECORDING REQUIREMENTS FOR NF 1018:

- (1) Contractors' records are the official property records of the Government and NASA Form 1018, NASA property in the custody of contractors, is the official document for reporting assets in their possession. NASA's financial statement account balances will be updated based solely upon NF 1018 data. NF 1018 reporting instructions are contained in Subpart 1845.7101 of the NASA FAR Supplement.
- (2) Since the NF 1018 reports data as of September 30, and is due by October 31, general ledger balances will be reported to Headquarters as of September 30 with the understanding that balances related to contractors' NF 1018's will be outdated. Centers' September 30 contractor-held property data will be updated in the Headquarters consolidated general ledger by Code BFB, based upon listings each Center shall submit by November 15. This listing will include contractor names, contract numbers and the amounts reported by the general ledger control account number, (i.e., 1700, 1300, 1611, 1621, 1631, 1641, 1650, 1960, 1970, and 1980.) The listing submitted to Code BFB will also include the consolidated general ledger entry that would have been posted to the September 30 general ledger, to reflect these balances, had the data been available at that time. Contra entries to accounts 3830, 3840, 3850, 5X50, 5X60, 5X70, 5X80, 5X90, 7X50, 7X60, 7X70, 7X80, and 7X90 must be provided to ensure an accurate preparation of the financial statements. The changes to accounts 1700, 1300, 1611, 1621, 1631, 1641, 1650, 1960, 1970, and 1980 should then be updated by Centers in the general ledger submission as of November 30, with a contra entry to account 3730 (Invested Capital).

## **9257-5 FINANCIAL CONTROLS OVER GOVERNMENT-OWNED/CONTRACTOR-HELD PROPERTY**

### a. CONTRACTOR RECORDS

- (1) The FAR and NFS discuss procedures to be used by contractors for maintaining control over Government property and specify reports and other data requirements.



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- (2) Adequacy of the system depends upon the (1) accuracy of the records maintained by contractors; (2) reasonableness of pricing methods used as provided in the FAR; and (3) degree of consistency with which contractors adhere to the contractual requirements for accountability and reporting.
- (3) NASA does not prescribe a system of property accounting for contractors; however, any system employed by a contractor requires the written approval of the cognizant property administrator (FAR 45.502). It is through this provision that NASA has the best opportunity to assure adequate control and reasonable consistency in reported information. Therefore, the cognizant property administrator should ensure that the contractor's property control system has proper internal controls and provides for the prescribed reports to be furnished in a timely fashion.
- (4) When the property administrator is a NASA employee, system approval should be closely coordinated with appropriate NASA logistics, property and financial personnel. When the property administrator is an employee of another Government agency, it is imperative that the cognizant NASA Center's Industrial Property Officer be informed regarding the adequacy of each contractor's system and provide guidance and assistance in correcting deficiencies whenever necessary.

## b. NASA RECORDS

- (1) The NASA control accounts for all Government-owned/contractor-held property shall be maintained by the Financial Management Office of the cognizant contracting Center, whether or not property administration is delegated to a different NASA Center, the Department of Defense or another Government agency. However, when contractor-operated facilities are located on a NASA Center, the real property control accounts will be maintained by the Financial Management Office of the Center where the real property is located.
- (2) The transfer of NF 1018 reportable contracts between NASA Centers requires the transferor to delete general ledger records pertaining to the contractor and provide the transferee the documentation and dollar amounts that have been deleted. The transferee is required to record the contractor's NF 1018 report data in the appropriate ledger accounts.
- (3) Each NASA Center's Financial Management Office shall maintain the following general ledger accounts for recording Government-Owned/Contractor-Held property transactions:

1300	Inventories, Government-Owned/Contractor-Held
1611	Land-Government-Owned/Non-Government-Held
1621	Buildings-Government-Owned/Non-Government-Held
1631	Other Structures and Facilities-Government-Owned/Non-Government-Held



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1641	Leasehold Improvements-Government-Owned/Non-Government-Held
1650	Equipment-Government-Owned/Non-Government-Held
1930	Other Deferred Debits
1960	Contractor-Held Special Tooling
1970	Contractor-Held Special Test Equipment
1980	Contractor-Held Agency-Peculiar Property

Definitions of these accounts are contained in FMM 9221; the costs contractors are to include in the various property classifications are described in NFS 1845-7101-1. Subsidiary accounts shall be maintained for each contract.

Offset entries to the above are made in the following accounts, as appropriate:

1210	Inventories, Store Stock, Government-Owned/Held
1220	Inventories, Standby Stock, Government-Owned/Held
1230	Inventories, Program Stock, Government-Owned/Held
1511	Land-Government-Owned/Held
1521	Buildings-Government-Owned/Held
1531	Other Structures and Facilities, Government-Owned/Held
1541	Leasehold Improvements-Government-Owned/Held
1550	Capitalized Equipment-Government-Owned/Held
1930	Other Deferred Debits
2240	Other Deferred Credits
3850	Property Adjustments - Prior Years
5X40	Contractor Facilities in Progress
5X50	Closings of CY Costs to Contract Work in Process
5X60	Current Year Changes in Contractor-Held Inventories
5X70	Current Year Closings of Contractor-Held Special Test Equipment
5X80	Current Year Closings of Contractor-Held Agency-Peculiar Property
5X90	Current Year Closings of Contractor-Held Special Tooling



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## **9257-6    *DISPOSAL OF PROPERTY***

NASA-owned personal property held by contractors and determined to be surplus to the needs of NASA and other Government agencies may be disposed of in accordance with the provisions of the FAR, Subpart 45.6 and the NFS, Subpart 1845.6. The proceeds of any sale under these circumstances will be credited to miscellaneous receipts, unless the contract or any subcontract thereunder authorizes the proceeds to be credited to the cost or price of the work (40 U.S.C. 485(a) and (3)). Provisions for crediting the proceeds of such a sale to the contract cost are contained in the standard contract clause for Government Property (FAR 52.245- 5(I)).

## **9257-7*REPORTING***

Government-owned/contractor-held property costs are reflected in the Analysis of Fixed Assets Report, which is submitted in accordance with FMM 9352.

## **9257-7A    *NASA Property in the Custody of Contractors (NF 1018)***



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## **FMM 9258 PROPERTY FURNISHED OR ACQUIRED UNDER GRANTS AND COOPERATIVE AGREEMENTS**

### **9258-1 SCOPE**

This section of the chapter prescribes policies and procedures for the financial recording of property acquired or furnished (Government-Furnished Equipment (GFE)) under the terms of NASA grants and cooperative agreements with educational institutions and nonprofit organizations.

### **9258-2 CLASSIFICATIONS**

- a. **GOVERNMENT-FURNISHED EQUIPMENT (GFE).** NASA-owned equipment which is furnished to a recipient for use under the terms of a grant or cooperative agreement wherein the title remains with NASA. Such property will be identified as GFE on all pertinent reports and documents.
- b. **ACQUIRED EQUIPMENT.** Title to property acquired under a grant or cooperative agreement is vested by NASA to the recipient as authorized by 41 USC 501 et seq. Property management standards for grants and agreements with institutions of higher education and other nonprofit organizations are set forth in OMB Circular A-110.
  - (1) A listing of approved equipment purchases to fulfill the objectives of a grant or agreement is usually included in each proposal. The lists may include both capitalized and noncapitalized equipment. Title to equipment purchased is vested in the recipient. The recipient has no other obligation or accountability to NASA for its use or disposition, except that NASA reserves the right to recapture title to individual items or coherent systems of equipment having a total cost of more than \$1,000, for itself or a third party. This right may be exercised in accordance with the provisions of NHB 5800.1\_.
  - (2) When NASA exercises its right to recapture title for itself or a third party and requires the recipient to ship the property, NASA shall reimburse the recipient an amount computed by applying the percentage of the recipient's original cost participation to the current fair market value of the property, plus reasonable shipping or interim storage costs incurred.
  - (3) The title to noncapital equipment and materials vests in the recipient upon acquisition.



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## **9258-3 CAPITALIZATION CRITERIA FOR PROPERTY FURNISHED OR ACQUIRED UNDER GRANTS AND COOPERATIVE AGREEMENTS**

- a. Equipment to which NASA has title and which meets the capitalization criteria in FMM 9255 will be recorded in the asset accounts in accordance with FMM 9220.
- b. NASA will not duplicate the detailed property records maintained by institutions and organizations, but will use reports and other documents generated by recipients as the source for recording equipment in NASA's fixed asset accounts.
- c. Annually, a listing of capital equipment controlled by a recipient, under a grant or cooperative agreement, to which NASA has title will be submitted as of September 30 to the Center Financial Management Office. The report is to be submitted by October 31 and should include all items to which NASA has title. Included in the list will be the beginning and ending balances for the period and the information specified in NHB 5800.1\_. Center Financial Management Offices will make appropriate adjustments to their accounts to reflect the reported balances.

## **9258-4 FINANCIAL CONTROLS OVER PROPERTY FURNISHED OR ACQUIRED UNDER GRANTS AND COOPERATIVE AGREEMENTS**

### **a. RECIPIENT RECORDS**

- (1) **Acquired Property.** Capital equipment to which NASA has recaptured title will be managed by standards set forth in NHB 5800.1\_.
- (2) **Government-Furnished Equipment.** Records of GFE will be maintained by the recipient in accordance with NHB 5800.1\_, and the terms of the grant or cooperative agreement.

### **b. NASA RECORDS**

- (1) **General Ledger Control Accounts.** The following general ledger control and subsidiary accounts will be used for recording capital equipment to which NASA has title which is being utilized by recipients:

Fixed Assets - Grants and Cooperative Agreements:

1710 Equipment - Grants

Equipment - Cooperative Agreements

- (2) **Files.** A separate file for each grant and cooperative agreement should be maintained by the Financial Management Office of the responsible NASA Center. The files will include the following documents as support for accounting entries:



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- (a) A copy of the grant or cooperative agreement and changes thereto, with a listing of approved equipment when included with the original proposal or subsequently approved;
- (b) Documentation supporting any transfers and disposals when title vests with NASA;
- (c) Documentation supporting all equipment purchased under a grant or cooperative agreement when title vests with NASA;
- (d) Documentation supporting all transfers of title to the recipient of equipment when so provided in the grant or cooperative agreement;
- (e) Documentation supporting NASA's recapture of title to equipment when applicable;
- (f) Copies of annual listings of equipment.

## **9258-5 TYPICAL ACTIONS AFFECTING ACCOUNTS**

- a. **GENERAL.** Capital equipment held by recipients will be recorded in NASA's accounts only when NASA has title. Entries will be based upon documents and reports covering transfers, disposals and acquisitions.
- b. **NASA EXERCISES RIGHT TO TAKE TITLE OF RECIPIENT ACQUIRED EQUIPMENT.** When NASA exercises the right to take title to acquired capital equipment, the cost of the equipment will be recorded as a debit to the appropriate 17X0 account and a credit to account 3840 (Property-Title Taken Under Grants, Cooperative Agreements or Contracts).
- c. **GFE PROVIDED TO RECIPIENT.** NASA-furnished capital equipment should be recorded as an increase to the appropriate 17X0 account and a decrease to account 1550, Capitalized Equipment-Government-Owned/Held account.
- d. **COMPLETION OF GRANT OR AGREEMENT.** Upon completion of each grant or cooperative agreement, the recipient or contractor is required to furnish the grant officer a listing of the property to which NASA has title (GFE) or to which NASA may take title (recipient has title). Such property will be transferred or disposed of in accordance with instructions received from that NASA official.

Capital equipment to which the Government retains title (GFE) is recorded as a transfer from the 17X0 account to the 1550 account.

Capital equipment to which the Government recaptures title from the recipient will first be recorded as a debit to the appropriate 17X0 account with a credit to account 3840 and then transferred to account 1550.

Documentation supporting returns or recaptures will be included in the property file maintained in accordance with FMM 9258-4.



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## **9258-6 DISPOSAL OF PROPERTY**

- a. **GENERAL.** The disposal of property when title vests with NASA, should be at the direction of the grants or contracting officer as appropriate after screening by the Property Disposal Officer.
- b. **TRANSFERS TO OTHER NASA CENTERS AND OTHER FEDERAL AGENCIES.** Transfers of capital equipment to another NASA Center will first be recorded as a debit to account 1550 and a credit to the appropriate 17X0 account and then as a transfer from 1550 with a corresponding debit to account 3810. The transfer through the 1550 account should be reflected on the semiannual Analysis of Fixed Assets Report. Transfers outside NASA should be recorded as a debit to account 3820.
- c. **TRANSFER TO PROPERTY DISPOSAL OFFICER.** Transfers of (GFE) capital equipment to the Property Disposal Officer should be recorded as a debit to account 1810, Other Assets, Personal Property Held for Disposal-Capitalized Equipment and a credit to the appropriate 17X0 account.
- d. **PROPERTY RETAINED OR SOLD BY RECIPIENT.** If there is a residual inventory of property exceeding \$1,000 in total aggregate fair market value upon completion or termination of the grant or agreement, and the property is not needed for other federally-sponsored projects, the recipient shall retain the property for use on nonfederal activities or sell it, but NASA must be compensated in either case. The amount of compensation shall be computed in accordance with OMB Circular A-110.

Reimbursements for property retained or sold by the recipient should be credited to account 4110, Revenues, Miscellaneous Receipts.

## **9258-7 REPORTING**

The cost of property furnished or acquired under grants and cooperative agreements is reflected in the Analysis of Fixed Assets Report which is submitted in accordance with FMM 9352.



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## **FMM 9259 LEASED PROPERTY SUBJECT TO CAPITALIZATION, TRANSFERS OF PROPERTY AND EXCESS PROPERTY**

### ***PART I LEASED PROPERTY SUBJECT TO CAPITALIZATION***

#### ***9259-1 SCOPE***

This part establishes the financial procedures and requirements for identifying and recording property leased by NASA and subject to capitalization.

#### ***9259-2 DEFINITIONS***

- a. **LEASED PROPERTY SUBJECT TO CAPITALIZATION.** A property lease shall be classified as being subject to capitalization if the terms of the agreement are essentially equivalent to an installment purchase of property and the criteria in paragraph 9259-3 are met.
- b. **NONCANCELABLE.** A property lease that is cancelable only on the occurrence of a remote contingency.
- c. **BARGAIN PRICE.** The price at which NASA has the option to purchase leased property that makes the exercise of the option almost certain.
- d. **ESTIMATED ECONOMIC LIFE.** The remaining useful life of leased property for the purpose for which it was intended, regardless of the term of the lease.
- e. **MINIMUM LEASE PAYMENTS.** The payments that NASA is obligated to make or can be required to make in connection with leased property.
- f. **FAIR MARKET VALUE.** The price for which leased property could be sold in an arm's-length transaction between unrelated parties.
- g. **INTEREST RATE IMPLICIT IN THE LEASE.** The discount rate that, when applied to the minimum lease payments (less executory costs and the unguaranteed residual value), causes the aggregate present value at the beginning of the lease term to be equal to the fair market value of the leased property at the inception of the lease.



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## **9259-3 CAPITALIZATION CRITERIA**

Leased property is subject to capitalization if the fair market value of the property is \$5,000 or more and it has a useful life of 2 years or more and the terms of the agreement are equivalent to an installment purchase by meeting **any one** of the following criteria:

- a. The lease transfers ownership of the property to NASA at the end of the term.
- b. The lease contains an option to purchase the property at a bargain price.
- c. The noncancelable length of the lease is equal to or greater than 75 percent of the estimated economic life of the property.
- d. The present value of the rental or other minimum lease payments (excluding that portion of the payments that represents executory costs, such as insurance, maintenance and taxes to be paid by NASA) equals or exceeds 90 percent of the fair market value of the property.

NASA Installations shall compute the present value of the minimum lease payments using the Treasury Average Interest Rate for Marketable Interest-Bearing Debt unless:

- (1) It is practicable for NASA to obtain the interest rate implicit in the lease computed by the lessor; and
- (2) The implicit rate computed by the lessor is less than the Treasury Average Interest Rate for Marketable Interest-Bearing Debt.

Criteria (c) and (d) do not apply if the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property.

The rental of space from GSA does not qualify as Leased Property Subject to Capitalization.

The Supply and Equipment Management Officer (SEMO) is responsible for determining the fair market value and useful life of leased property and notifying the Financial Management Officer (FMO) of leased equipment that meets the capitalization criteria. The FMO is responsible for evaluating the terms of the lease agreement and notifying the SEMO if the leased equipment is subject to capitalization.

## **9259-4 RECORDING REQUIREMENTS**

Leased property which meets the above criteria will be recorded as an asset (not a fixed asset) in account 1940, Capitalized Leases with an offsetting liability in account 2270, Liability for Capitalized Leases. The amount recorded will be the fair market value of the property that is being leased.



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The difference between the capitalized value (fair market value) and the total amount of lease payments will be recorded as an interest expense in account 5X10 (excluding 5810 and 7X10), applicable appropriations cost account, (i.e., 5110, R&D Current Year Costs or 7110, SAT Current Year Costs.) Interest expenses will be recognized as a portion of the lease payments and will be calculated based on the interest rate used to compute the present value of the minimum lease payments. FMM Appendix 9259-4A illustrates an example of a lease that is capitalized. FMM Appendix 9259-4B lists the general ledger entries that would be made based on the lease payments. NASA Installations will not amortize the fair market value of leased property subject to capitalization over the life of the asset.

## **9259-5    *REPORTING***

Leased Property Subject to Capitalization costs are reflected in the Analysis of Leases Report submitted in accordance with FMM 9391.



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## 9259-4A RECORDING OF CAPITALIZED LEASE PAYMENTS

A NASA Installation entered into a 5-year lease agreement beginning 10/1/87 for a mainframe computer that has a fair market value of \$900,000 and a useful life of 6 years.

The lease is noncancelable with payments of \$200,000 a year to be made in advance on October 1 of each year for five years. Title to the property passes to NASA at the end of the lease on 9/30/92.

The Treasury Average Interest Rate for Marketable Interest Bearing Debt at the time of the lease is 7 percent and the lessor's implicit rate is 5 and 1/2 percent.

The executory costs are paid by the Installation and are not part of the lease payments.

This lease must be capitalized because the noncancelable term is greater than 75 percent of the estimated economic life of the property, the title passes to NASA at the end of the lease and the property has a value greater than \$5,000 and a useful life greater than 2 years.

The interest rate that should be used to calculate the portion of the payments that are to be identified as interest expense is the implicit rate of the lessor, which is 5 and 1/2 percent, since it is less than the Treasury rate.

The following schedule identifies the Interest expense and reduction of the liability by payment.

<b>Date</b>	<b>Payment</b>	<b>Interest Expense Acct. 58X0</b>	<b>Liability Reduction</b>	<b>Balance Liability Acct. 2270</b>
				\$ 900,000
10/1/87	\$ 200,000	-0-	\$ 200,000	\$ 700,000
10/1/88	\$ 200,000	\$ 38,500	\$ 161,500	\$ 538,500
10/1/89	\$ 200,000	\$ 29,618	\$ 170,382	\$ 368,118
10/1/90	\$ 200,000	\$ 20,246	\$ 179,754	\$ 188,364
10/1/91	\$ 200,000	\$ 11,636	\$ 188,364	-0-
<b>TOTAL</b>	<b>\$ 1,000,000</b>	<b>\$100,000</b>	<b>\$900,000</b>	

Amounts reported on the schedule were adjusted to accurately liquidate the liability balance.



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## **9259-4B GENERAL LEDGER ENTRIES**

1. Lease is awarded on 10/1/87 and the first payment is made.

Dr: 1940 Capitalized Leases	900,000
Cr: 2270 Liability for Capitalized Leases	900,000
Dr: 5X10 or 7X10 Current Year Cost (excluding 5810)	200,000
Cr: 1010 Cash	200,000
Dr: 2270 Liability for Capitalized Leases	200,000
Cr.: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress	200,000

2. Second lease payment on 10/1/88.

Dr: 5X10 or 7X10 Interest Expense (excluding 5810)	38,500
Dr: 5X10 or 7X10 Current Year Cost (excluding 5810)	161,500
Cr: 2020 Accounts Payable	200,000
Dr: 2020 Accounts Payable	200,000
Cr: 1010 Cash	200,000
Dr: 2270 Liability for Capitalized Leases	161,500
Cr: 5X30 or 7X30 Closings of Current Year Costs to Fixed Assets in Progress	161,500

3. Title passes to NASA at the end of the lease on 9/30/92.

Dr: 1500 Fixed Assets Government Owned-Held	900,000
Cr: 1940 Capitalized Leases	900,000



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## ***PART II TRANSFERS OF PROPERTY***

### ***9259-11 SCOPE***

This part establishes the financial procedures and requirements for documenting and recording transfers of property between a NASA Installation and (1) other NASA Installations, (2) NASA contractors and (3) other federal agencies and outside entities, on a reimbursable or nonreimbursable basis. It also covers transfers between contractors of the same installation and between an Installation and the contractor of another Installation.

### ***9259-12 DEFINITIONS***

The definitions in FMM 9020 should be referred to if required.

### ***9259-13 CAPITALIZATION CRITERIA***

The transfer of capitalized equipment to other entities should be recorded as a reduction to the fixed asset account for the book value of the asset.

The receipt of equipment transferred from other entities should be recorded in the appropriate fixed asset account at book cost (the net amount maintained in the books of the transferor) for nonreimbursed transfers or the amount paid to the transferor for reimbursed transfers.

Noncapitalized transfers will be recorded at the amount reimbursed or the fair market value if no reimbursement is made.

### ***9259-14 TIMING OF CAPITALIZATION***

The entry affecting the asset accounts should be made in the same month that a shipping or other document, approved by a responsible Installation official, is received in the Financial Management Office.

### ***9259-15 FINANCIAL CONTROLS OVER TRANSFERS***

- a. The capitalization criteria utilized for property transferred will be in accordance with the appropriate sections of this chapter. Transfers will be recorded in accordance with FMM 9220 utilizing accounts 1200, 1300, 1500, 1600, 1700, 1800 or 19X0 as appropriate.
- b. The offsetting entries for transfers will be affected by the nature of the transfer (i.e. reimbursable or nonreimbursable) and the parties involved (i.e. NASA, NASA contractors and other Federal agencies). The offsetting entries should include one of the following accounts:

<u>Account</u>	<u>Description</u>
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3810	Transfers of Fixed Assets Intra-NASA
3820	Transfers of Fixed Assets Outside NASA
3850	Property Adjustments, Prior Years
3870	Transfers of Noncapital Costs Intra-NASA
3880	Transfers of Noncapital Costs Outside NASA
3890	Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA
5X10	Current Year Costs
5X20	Fixed Assets in Progress
5610	Unfunded Costs

- c. The offsetting entries for intra-NASA transfers will be to accounts 3810, 3870 or 3890. NASA Headquarters Code BFB maintains data on all intra-NASA transfers to ensure that the total amounts on an agencywide basis net to zero. NASA Installations involved are required to record entries on a timely basis and process corrective actions when requested to resolve differences.

## **9259-16 PERSONAL PROPERTY TRANSFER VOUCHER**

- a. The Financial Management Office of a transferring Installation will prepare a Personal Property Transfer Voucher (NASA Form 1322), FMM Appendix 9259-16A, to document property transfers to another NASA installation or to another NASA installation for the ultimate use of a contractor of the other NASA installation.
- b. Preparation of the NF 1322 will be based on an approved copy of a shipping document such as a SF 122, DD Form 250 or DD Form 1149, which evidences the movement of property.
- c. Transfer vouchers will separately identify the transfer of capital property, noncapital property and excess property.
- d. The transferring installation should endeavor to forward a transfer voucher to the receiving installation in the accounting period during which the property is shipped or the subsequent accounting period at the latest. Installations will establish procedures to allow sufficient time to prepare and mail transfer vouchers by the 25th of the month.
- e. Incoming and outgoing transfer vouchers will be recorded in the same month shown on the voucher. The receiving Installation is responsible for requesting the transferring Installation to furnish the transfer voucher or information to correct an incomplete submission. The Financial Management Office of the transferring installation will complete the NF 1322.



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- f. The receipt of a transfer voucher in advance of acceptance by the Installation's property personnel should be recorded as a entry to the 3810, 3870 or 3890 accounts with the offset entry being made to 1930, Other Deferred Debits. The processing of the shipping document by property management in the NASA Equipment Management System (NEMS) will be reflected as an increase to the asset accounts and a reversal of the entry to account 1930.

## **9259-17 TYPICAL TRANSFER ACTIONS**

- a. **TRANSFERS BETWEEN NASA INSTALLATIONS.** Transfers between NASA Installations will be recorded by the transferee as an increase to the appropriate asset accounts, at book cost (the net amount maintained in the books of the transferor) for nonreimbursed transfers or the amount paid the transferor for reimbursed transfers. The transferor Installation will record the transfer as a reduction to the asset accounts for the book value of the asset.

The offsetting entries will be to account 3810, Transfer of Fixed Assets Intra-NASA for the book cost of capitalized assets, 3870, Transfers of Noncapital Costs Intra-NASA for the cost of inventory transfers or 3890, Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA for the cost of excess property transfers.

Accounts 5X10, Current Year Costs and 1010, Appropriated Funds with the U.S. Treasury will also be affected when the transfer involves a reimbursement to the transferor.

- b. **TRANSFERS BETWEEN NASA AND NASA CONTRACTORS.** Transfers of property between a NASA Installation and its contractors should be documented utilizing shipping documents such as a DD Form 1149 or a DD Form 250. The shipping documents should contain information such as cost, shipping reference, contract number and other descriptive data necessary for reconciling the transfers with the data submitted on the NASA Form 1018.

Transfers of property between contractors within a NASA Installation should be noted on the shipping documents and a copy should be furnished the FMO to effect the transfer between subsidiary accounts in account 1600.

Transfers of property between a NASA Installation and the contractor of another NASA Installation must first be recorded as a transfer between Installations and would be documented using a NF 1322 Personal Property Transfer Voucher (FMM Appendix 9259-16A). The transferring Installation is responsible for issuing the transfer voucher and the receiving Installation is responsible for following up when vouchers are not received.

The recording of transfers affecting inventory, capitalized equipment or noncapitalized property should be done in accordance with FMM's 9254, 9257 and 9220.



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The transferor should record a reduction to the fixed asset accounts for the book cost of capitalized property. The transferee should record the asset at the book cost of the transferor.

- c. **TRANSFERS INVOLVING OTHER FEDERAL AGENCIES AND OTHER OUTSIDE ENTITIES.** The transfer of property to other federal agencies and other outside entities should be recorded as a reduction to the asset accounts for the book value of the property. Transfers from other federal agencies and other outside entities should be recorded at the book value of the transferor for nonreimbursed transfers or the amount paid for the property for reimbursed transfers.

The offsetting entries to updating the asset accounts will be 3820, Transfers of Fixed Assets Outside NASA and 3880, Transfers of Noncapital Costs Outside NASA.

- d. **TRANSFERS INVOLVING GRANTS, RESEARCH CONTRACTS AND COOPERATIVE AGREEMENTS.** Transfers of property involving NASA grantees, research contracts or cooperative agreements will be made in accordance with the terms of the agreement.

The book cost of the assets transferred from grantees, etc. will be used to update the general ledger account 1700, Fixed Assets-Grants, Research Contracts and Cooperative Agreements.

Transfers to grantees, research contractors and cooperative agreement participants should be recorded as a reduction to the asset accounts for the book cost of the asset.

Noncapital property transferred to a grantee, etc. would not be recorded in the Installation general ledger except to reduce account 1200, Inventory.

## **9259-18 REPORTING**

The reporting of property that is transferred will be reflected in the Analysis of Fixed Assets Report, FMM 9352 and the Analysis of Inventories Report, FMM 9351.



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## **9259-16*****PERSONAL PROPERTY TRANSFER VOUCHER (NF 1322)***



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## ***PART III EXCESS PROPERTY***

### ***9259-21 SCOPE***

This part establishes the procedures for recording and reporting excess property that is held by the Property Disposal Officer (PDO).

### ***9259-22 DEFINITIONS***

The definitions in FMM 9020 should be referred to if required.

### ***9259-23 CAPITALIZATION CRITERIA***

The transfer of capitalized property to the PDO should be recorded as a reduction to the asset accounts for the book value of the asset. The transfer of noncapitalized property to the PDO should be recorded as a reduction to account 3850 or 5610 for the fair market value of the property. The receipt of the property by the PDO should be recorded as an increase to account 18X0, Other Assets, Personal Property Held for Disposal.

### ***9259-24 TIMING OF ENTRIES***

The general ledger entries made by the Financial Management Officer(FMO) should be processed in the same month that the documentation supporting the transfers (FMM Appendix 9259-26A) is received from the PDO.

### ***9259-25 FINANCIAL CONTROL OVER EXCESS PROPERTY***

- a. Capitalized property transferred to the PDO will be recorded as a reduction to the asset accounts for the book value of the asset.
- b. b The entries to account 1810, Other Assets, Personal Property Held for Disposal - Capital Equipment will be for the book value of the transferred asset.
- c. Transfers of property from the PDO will be recorded as a reduction to the 18X0 account. The offsetting entries will be (1) the 1550 asset account if subject to capitalization and reutilized at the Installation, (2) the 1650 asset account if subject to capitalization and reutilized by NASA contractor, (3) the 5610 account if noncapital and reutilized at the Installation, (4) account 3890, Transfers of Cost, Property Held by Property Disposal Officer, Intra-NASA if transferred to another NASA Installation, and (5) account 3830, Cost of Property Retired if disposed of by sale or other means.



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## **9259-26 PROPERTY HELD BY THE PROPERTY DISPOSAL OFFICER REPORT**

- a. The report reflected in FMM Appendix 9259-26A is generated on a monthly basis by the PDO and submitted to the FMO to document the monthly changes in the 18X0 accounts.
- b. The beginning balances of the report should equal the ending balances of the previous month's report.
- c. The additions and deletions reported should be supported by documentation maintained by the PDO and the ending balances of the report should be reconciled with the accounting records to coincide with the semiannual submission of the NF 1490 report (FMM 9352).
- d. The PDO should provide the required breakouts of the additions and deletions to provide the FMO the information necessary for the updating of the general ledger asset accounts.
- e. 18X0 account should be updated utilizing the information reported and the balances of the 18X0 accounts should equal the ending balances of the report.

## **9259-27 TYPICAL ACTIONS AFFECTING 18X0 ACCOUNTS**

- a. **TRANSFERS FROM INVENTORY.** Transfers of excess inventory to the PDO should be supported by inventory adjustment vouchers. Status Codes 1 and 3 transfers should be charged to appropriated funds before being transferred to the PDO. The charge should be recorded as a debit to account 5X10 (excluding account 5610) and a credit to account 12X0. The transfer to the PDO should be recorded as a debit to account 1820 with a credit to account 5610, Unfunded Costs.  
  
Status Code 2, Program Stock should first be recorded as an issue with a credit to account 1230 and a debit to account 5610. The transfer to the PDO would then be recorded as a debit to account 1820 and a credit to 3850, Prior Year Property Adjustments.
- b. **TRANSFERS FROM CAPITALIZED EQUIPMENT.** Transfers of excess equipment to the PDO should be supported by transfer documents and will be recorded as a reduction to accounts 1550 or 1650.
- c. **TRANSFERS OF EXPENSED OR NONCONTROLLED NONCAPITALIZED PROPERTY TO PDO.** Transfers of expensed or noncapitalized property will be recorded as an increase to the 1820 account with an offset to account 3850 or 5610.



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- d. **TRANSFERS TO OTHER NASA INSTALLATIONS.** The transfer of property held by the PDO to another NASA Installation should be recorded as a reduction to 18X0 accounts with an offset to account 3890, Transfer of Costs, Property Held by Property Disposal Officer, Intra-NASA.
- e. **TRANSFERS TO OTHER FEDERAL AGENCIES AND OTHER ENTITIES.** The transfer of property held by the PDO to others should be recorded as a reduction to 18X0 accounts with an offset to account 3830, Cost of Property Retired.
- f. **REUTILIZATION OF EXCESS PROPERTY.** The reutilization of property held by the PDO should be recorded as a reduction to 18X0 accounts with an offsetting entry to account 5610 if noncapitalized. Capitalized reutilizations should be posted to the 1550 account.
- g. **DISPOSAL OF EXCESS PROPERTY.** The disposal of excess property through sale, donation, abandonment or destruction should be recorded as a reduction to the 18X0 accounts with offsetting entries in accordance with FMM 9220.

## **9259-28 REPORTING**

The reporting of excess property will be reflected in the Analysis of Fixed Assets Report FMM 9352.



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## 9259-26A PROPERTY HELD BY THE PROPERTY DISPOSAL OFFICER REPORTS

Month Ending \_\_\_\_\_, 19\_\_

		1810	1820
<b>Beginning Balances</b>		_____	_____
(equals ending balance of previous month)			
<b>Additions:</b>			
Inventories, Store Stock, Account 1210	XXXXXXXXXXXX	_____	
Gov't-Owned/Held,			
Inv., Stand-by-Stock, Gov't- Account 1220	XXXXXXXXXXXX	_____	
Owned/Held			
Inv., Program Stock, Gov't- Account 1230	XXXXXXXXXXXX	_____	
Owned/Held			
Capitalized Equipment - Account 1550	_____		XXXXXXXXXXXX
Gov't-Owned/Held			
Intra NASA Transfers Account 3890	_____	_____	_____
All Other Account 3850	XXXXXXXXXXXX	_____	_____
<b>Total Additions</b>		+_____	+_____
			-
<b>Deletions:</b>			
Disposals and Adjustments Account 3850	XXXXXXXXXXXX	_____	
(noncap)			
Disposals and Adjustments Account 3830	_____		XXXXXXXXXXXX
(cap)			
Intra-NASA Transfers Account 3890	_____	_____	_____
Reutilizations Account 5610	XXXXXXXXXXXX	_____	_____
Noncapitalized Property			
Capitalized Equipment- Account 1550	_____		XXXXXXXXXXXX
Gov't-Owned/Held			
<b>Total Deletions</b>		-_____	-_____
<b>Ending Balances</b>		_____	_____

18X0 accounts, Other Assets, Personal Property Held for Disposal should equal the ending balances of this report.

Documentation supporting the amounts contained in this report is maintained by the Property Disposal Officer.



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## FMM 9260 REVENUE ACCOUNTING

### **9261-1 PURPOSE**

This section provides the accounting procedures concerning the billing, collecting and depositing of monies owed to NASA or the U.S. Treasury. The write-off of uncollectible accounts receivable and advances is also explained. Cash management policies as prescribed in FMM 9050 will be followed when applying the procedures in this section. The operating procedures for billing, collecting and depositing are contained in FMM 9680.

### **9261-2 SCOPE**

The provisions of this chapter apply to all revenue accounting transactions affecting either NASA appropriations and funds or the accounts of the U.S. Treasury.

### **9261-3 INTERNAL CONTROLS**

Controls over revenue will be maintained by assigning the duties of the employees so that no one employee is responsible for more than one element of a transaction.

Examples are:

- a. The accounts receivable technician will not render services or furnish materials for which receivables are generated.
- b. The billing technician will not process collections or deposit funds.
- c. The collection agent will not update accounts receivable records.
- d. The collection agent or accounts receivable technician will not write off accounts receivable as uncollectible.

If due to the limited workforce available, the above controls cannot be instituted, a deviation must be requested in writing from the Director, Financial Management Division, NASA Headquarters.

### **9261-4 TYPES OF REVENUE**

- a. **REIMBURSEMENTS TO APPROPRIATIONS.** Consists of amounts collected for materials or services furnished to another Federal Government agency, foreign governments, firms or individuals outside the government, and which by law may be credited directly to NASA appropriations.



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- b. **REFUNDS TO APPROPRIATIONS.** Consists of amounts collected for items such as payments made in error, overpayments, adjustments of previous amounts disbursed from appropriations, refunds of authorized advances, refunds for unused transportation tickets, items rejected and returned, allowances for items retained although not entirely satisfactory, and corrections or adjustments to an appropriation previously charged when later adjustment to another appropriation is contemplated and authorized by law. For accounting purposes, appropriation refunds are handled as reductions in disbursements and require adjustments in the budgetary and related accounts. Generally, the refund document contains the accounting classification appearing on the respective payment voucher to which the refund pertains.
- c. **DEPOSITS AND RECEIPTS.** Consists of amounts of voucher deductions and other collections for deposit with the Treasurer of the United States such as withholdings from employees' salaries for taxes, bond purchases, etc.
- d. **TRUST FUND RECEIPTS.** Consists of amounts held in trust for use in carrying out specific activities in accordance with a Trust Fund agreement.
- e. **GENERAL FUND RECEIPTS.** Consists of amounts of miscellaneous receipts which are to be deposited in the General Fund of the Treasury. Included are collections for user charges (FMM 9080) from persons outside the Federal Government for NASA special services rendered, or NASA property leased or sold to such persons.

## **9261-5 RECORDING REVENUE ACCOUNTING TRANSACTIONS**

The documentation utilized in billing, collecting and depositing described in FMM 9680 should be forwarded to the accounting section of financial management offices for recording in the applicable general ledger accounts. A monthly verification should be performed to ensure that the amounts on the registers maintained in accordance with FMM 9680 equal the amounts entered into the general ledger for the applicable transactions.

The general ledger effects can be entered into automated systems either on a transaction basis or summarized on a journal voucher. If the latter method is used, an audit trail must be maintained to the basic documents which support the journal voucher.

All bills issued will be recorded as accounts receivable in the general ledger accounts. When an asset is already recorded, the bills would not be recorded as an accounts receivable, (i.e., bills relating to advances or returnable containers).

All collections of revenue will be recorded based on the date presented to the bank listed on the Certificates of Deposit, i.e., the date used on the SF 215, box 2 (see FMM 9681-6c(2)) and the monthly cutoff date for accounting purposes should be the same.



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## **9261-6 SELECTION OF PROPER FUND ACCOUNTS AND GENERAL LEDGER ACCOUNTS**

- a. **GENERAL.** Revenue transactions effect a broad spectrum of fund and general ledger accounts. Each transaction must be carefully analyzed to ensure the proper accounts are utilized.
- b. **FUND ACCOUNTS.** FMM 9652 lists all of the fund accounts available to NASA.
- c. **GENERAL LEDGER ACCOUNTS:**
  - (1) FMM 9220 provides the general proforma entries for revenue transactions.
  - (2) FMM 9090 provides the proforma entries for reimbursable transactions.

## **9261-7 ACCOUNTING FOR LATE PAYMENTS REFERRED TO COLLECTION AGENTS**

NASA debts, in accordance with the policy contained in FMM 9050, may be referred to collection agencies when payments are late.

Debtors are directed by the collection agency to mail the payments to a Lockbox Depository. The Lockbox Depository then wire transfers the receipts to Treasury. Each day that funds are received, the Treasury sends a SF 215C, Deposit Ticket, indicating the amount received, to the appropriate ALC (Agency Location Code).

Since the detailed information concerning the collection is not available at the time of the deposit, NASA Installations shall credit the receipts to the Budget Clearing Account (Suspense), 80F3875. Upon receipt of the monthly status report from the collection agency, the Installations shall use the detailed information provided to determine the proper amounts to be credited to its accounts and the portion relating to the collection fee. Collections shall be accounted for as follows:

- (1) Interest shall be credited to 801435, General Fund Proprietary Interest, Not Otherwise Classified.
- (2) Penalty charges shall be credited to 801099, Fines, Penalties and Forfeitures, Not Otherwise Classified.
- (3) Collection agency fees shall be credited as offsetting collections to a program account available for current obligation and expenditure. The program account is to obligate and expend such funds to the collection agency to cover the fees. The resulting expenditure shall not be recorded as a net outlay.



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- (4) Administrative charges shall be credited as offsetting collections to a program account available for current obligation and expenditure. Administrative charges only may be used to pay the collection agency's \$40 fee for preparation of the CCLR as discussed in FMM 9050-5i. Any excess amounts of administrative charges over that required for CCLR fees shall be deposited monthly to account 801099, Fines, Penalties, and Forfeitures, Not Otherwise Classified.
- (5) The remainder (principal) shall be accounted for in the same manner as if the Installation collected the funds without utilizing a collection agency.

## **9261-8 RECONCILIATION OF THE MONTHLY DEPOSIT SUPPORT LIST**

- a. **GENERAL.** A monthly reconciliation should be made comparing the transactions recorded in the accounting system based on SF 215's and SF 5515's received from the depository with the Monthly Deposit Ticket/Debit Voucher Support List provided by the Department of the Treasury.
- b. **DEPOSITS.** Deposit-related errors will be resolved directly with the initial depository rather than with the Treasury. If the problems cannot be resolved with the initial depository, the Receipts Branch, Cash Management Operations Staff, at the Department of the Treasury should be contacted. If problems are revealed, the following procedures should be utilized:
  - (1) Locate the deposit in question on the Monthly Deposit Support List, which accompanies the Statement of Differences (TFS 6652). An example of the revised Monthly Deposit Support List is shown in FMM Appendix 9261-8A.
  - (2) The concentrator bank is reflected under the BNK column.
    - (a) The bank code for depositories reporting through the Data Service Facility (DSF) will indicate a concentrator bank zone rather than the Federal Reserve Bank district.
    - (b) If the bank code is 901 through 905, the deposit was reported through the DSF and a concentrator bank. The bank code for each concentration zone is as follows:

<b>Concentration Zone</b>	<b>Bank Code BNK</b>	<b>Concentrator Bank</b>
1	901	Mellon Bank
2	902	Federal Reserve Bank of Atlanta
3	903	First National Bank of Chicago
4	904	Citizens and Southern National Bank
5	905	Bank of America



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- (3) After identifying the concentrator bank, refer to the unique 5-digit code under the MICRO/TRACE column to identify the initial depository. As banks convert to the new system, the bank identification numbers will be provided to the Installation by the Department of the Treasury. Until all Treasury General Account (TGA) depositories have fully implemented the new Treasury General Account Cash Concentration System (TGACCS), the MICRO/TRACE column will contain either microfilm numbers, as in the past, or the new 5-digit bank identification numbers.
- (4) Verbally contact the initial depository to resolve deposit differences. If the difference cannot be resolved verbally, request that a copy of the confirmed SF 215 or SF 5515 be provided.
- (5) If the transaction was processed incorrectly because of an installation error, the entry should be adjusted on the current month's SF 224.
- (6) If the transaction was reported incorrectly by the initial depository, advise the initial depository to report the appropriate adjustment (SF 215 or 5515) to the DSF.

## c. **UNCOLLECTED CHECKS**

In accordance with 1 TFM 5-5000, when the bank or depository is unable to effect collection of a check, one of the following procedures will be utilized:

- (1) If an agreement has not been established between the Installation and the bank concerning the handling of transactions of this nature, the bank should immediately process an SF 5515, Debit Voucher (see FMM Appendix 9261-4B) and charge the amount of the unpaid or uncollectible check against the ALC code listed on the SF 215, Deposit Ticket. Upon receipt of the unpaid or uncollectible check and the SF 5515, the Installation will reverse the accounting entries previously made and request the drawer to stop payment on the check. Other arrangements should then be made for the payment of the amount owed, i.e., money orders, etc.
- (2) If an agreement has been established between the NASA Installation and the bank that the Treasury General Account will not be charged, an SF 5515 will not be prepared and the unpaid or uncollectible check will be reprocessed or returned to the Installation. When a replacement check, money order or other acceptable form of payment is not received by the bank in an agreed period of time, an SF 5515 will be prepared by the bank and submitted to the applicable NASA Installation along with the uncollected check. The Installation will make the necessary adjustment to the appropriate accounts (11XX and 10XX). The collection agent for the Installation will continue efforts to collect the amount owed.



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## **9261-9 WRITE-OFF OF UNCOLLECTIBLES**

- a. **WRITE-OFF OF UNCOLLECTIBLE RECEIVABLES AND CLOSEOUT PROCEDURES.** Accounts will be written off by crediting the appropriate general ledger accounts receivable account (11X0) and charging account 6310, Uncollectible Receivables. At the end of each fiscal year, the balance in account 6310 will be closed to account 3740, Cumulative Results of Operations, accounts shall be closed, and the debtor's account ledgers removed from active files.
- b. **WRITE-OFF OF UNCOLLECTIBLE ADVANCES.** When outstanding advances are determined to be uncollectible, account 14X0, Advances will be credited, with an equal amount charged against account 6310, Uncollectible Receivables. Also, in the general ledger appropriation accounts, the same amount will be treated as a disbursement, by charging account 3230-3240-3250 as applicable and crediting account 3260.

## **9261-10 IMPLEMENTATION**

Instructions should be issued by each NASA Installation describing the procedures to be followed when amounts are due the Government.



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## **9261-8A MONTHLY DEPOSIT TICKET/DEBIT VOUCHER SUPPORT LIST**

CL DATE SEQ NO	MICRO/ TRACE	BNK	CL	ARE A	SYMBOL	DT/ DV NO	DATE	AMOUN T
12787	04001	904	9	19	80000001	282250	1-07-9	14.68
13787	04001	904	9	19	80000001	326095	1-29-9	16.00
11487	06388	005	9	19	80000001	208775	1-01-9	19.28
11987	04003	904	9	19	80000001	282761	1-07-9	1926.30
12287	03002	903	9	19	80000001	326097	1-12-9	5261.11
11887	02000	902	9	19	80000001	234876	1-15-9	<u>25632.46</u>
							<b>TOTAL</b>	32869.83
							:	<u>          </u>



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**9261-8A DEBIT VOUCHER (SF 5515)**



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## FMM 9280 MISCELLANEOUS ACCOUNTING

### ***Part I ADVANCE FINANCING***

#### ***9280-1 PURPOSE***

- a. This chapter describes NASA's use of the Department of Health and Human Services' Payment Management System (DHHS/PMS) - a letter of credit system, and the Automated Clearing House methods of providing advance payments of Federal funds to state and local governments, educational institutions, and other public or private organizations, hereafter referred to as "recipient organizations".
- b. These instructions implement Department of the Treasury Circular No. 1075, as revised, and Treasury Financial Manual, Volume I, Part 6, Chapter 2000, as revised, which are intended to improve the timing of cash advances so that cash withdrawals occur only when essential to meet the actual disbursement needs of recipient organizations. These instructions also implement OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations, the purpose of which is to achieve uniformity in recipients' financial reporting to Federal Agencies.

#### ***9280-2 GENERAL REQUIREMENTS***

##### ***a. AUTHORITY FOR ADVANCE PAYMENTS***

- (1) **Grants.** Advance payments to recipient organizations are an integral feature of NASA grants made pursuant to 31 USC 6304. Advance payments for grants may be made without a Determination and Findings (D&F) document.
- (2) **Contracts.** The statutory authorities for advance payments are 10 USC 2307, 42 USC 2473(c)(5), and Public Law 85-804 as implemented by Executive Order 10789. The Federal Acquisition Regulation (FAR), Subpart 32.4, establishes policy for advance payments on contracts. Subpart 18-32.4 of the NASA FAR Supplement (NFS) establishes NASA policy and requirements in this regard. The statutory authority for Determinations and Findings is 10 USC 2310(b). NFS 18-32.402 requires that a D&F be made for advance payments under contracts. Where the amount of the advance is under \$25,000,000 for the basic contract and a foreign entity or organization receiving a fee is not involved, the Installation Procurement Officer may make this determination, provided that such action has been coordinated with the Installation Financial Management Officer. Where advance payment requests do not meet these criteria, a D&F must be made by the Assistant Administrator for Procurement, with the concurrence of the Director, Financial Management Division, NASA



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Headquarters. The standard text and instructions for advance payment D&F's appear in FAR 32.410, with further instructions appearing in NFS 18-32.410-70. The standard contract clause appears in FAR 52.232-12, with further instructions appearing in NFS 18-32.412.

- b. **SCOPE.** These procedures apply to all NASA programs requiring advance payments.
- c. **FINANCIAL SECURITY REQUIREMENTS**
  - (1) **Grants.** Under grant provisions, nonprofit organizations are not required to provide special security for advance payments.
  - (2) **Contracts.** In contracts with nonprofit institutions, variations in circumstances do not permit specific rules to be prescribed for all cases. Generally, special bank accounts will not be required since the recipient organization is to keep cash balances to a minimum. The advance payments contract clause contains provision for the protection of the Government's interest. Any extraordinary need or provision for security should be discussed in the Determination and Findings document.
- d. **CRITERIA FOR DETERMINING ADVANCE PAYMENT METHOD.** The letter of credit method of financing shall be used by recipient organizations awarded grants or contracts with advance payment provisions as long as all of the following requirements are met.
  - (1) There is or will be a continuing relationship between the recipient and a NASA Installation for at least a 12-month period and the aggregate annual amount to be advanced is \$120,000 or more.
  - (2) The recipient organization has demonstrated a willingness and ability to maintain procedures that will minimize the time elapsing between the receipt of an advance and the disbursement of funds.
  - (3) The recipient's financial management system shall provide for:
    - (a) Accurate, current, and complete disclosure of the financial results of each federally sponsored project or program in accordance with the financial reporting requirements.
    - (b) Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.
    - (c) Written procedures to minimize the time elapsing between the receipt of an advance and the disbursement of funds.



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- (d) Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the contract, grant, or other agreement.
- (e) Recipients' financial management systems shall also adhere to:
  - 1 **Grants.** Standards for financial management systems as specified in OMB Circular A-110 and the Research Grant Handbook, NHB 5800.1.
  - 2 **Contracts.** Standards for financial management and reporting as specified in relevant contract clauses.
- (4) Funds will be advanced using the Automated Clearing House method of payment when the recipient meets all of the requirements except 9280-2d.(1).

NASA's policy is to use electronic funds transfer through the Automated Clearing House (ACH) for payments wherever possible. Direct Treasury check payments will only be used in cases where ACH payments are not feasible.
- (5) The recipient organization will be required to finance its operations with its own working capital when it has demonstrated that it is unwilling or unable to meet cash management requirements that will minimize cash balances or when its financial management system does not meet the standards for fund control and accountability, and financial reporting. Reimbursement shall be made by Automated Clearing House.
- e. **FINANCIAL REPORTING REQUIREMENTS.** All recipients shall submit a Report of Federal Cash Transactions (SF 272) 15 working days following the end of each Federal fiscal quarter. The Report of Federal Cash Transactions shall include projected disbursements for each of the four months following the reported quarter.

The initial establishment of a letter of credit requires that recipient organizations submit a cash forecast for the months preceding the submission of the first Report of Federal Cash Transactions (SF 272). The cash forecast shall be used to analyze the recipient's drawdown requests according to the procedures outlined in FMM 9280-5.

Recipients obtaining funds by ACH shall submit, during negotiations with the Grant or Contracting officer, a disbursement schedule which the recipient organization will follow in paying obligations incurred as a result of grant or contract performance.
- f. **CASH MANAGEMENT REQUIREMENTS.** Recipient organizations are required to request the minimum amount of funds needed and schedule cash advances to coincide with actual, immediate cash requirements. NASA Installations shall monitor recipients' drawdowns to ensure that minimal balances are being maintained.



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- (1) Recipients are required to maintain advances of Federal funds in interest bearing accounts, unless:
  - (a) they receive less than \$120,000 in Federal awards per year,
  - (b) the best reasonably available interest bearing account would not be expected to earn in excess of \$250 per year on Federal cash balances, and
  - (c) the depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.

Interest earned on advances in interest bearing accounts in excess of \$250 per year shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 per year may be retained by the recipient for administrative expenses.

- (2) Recipients obtaining funds by letter of credit shall forward excess Federal funds erroneously drawn to the Department of Health and Human Services. The only exceptions are when the funds involved:

- (a) will be disbursed by the recipient organization within seven (7) calendar days; or
- (b) are less than \$10,000 and will be disbursed within 30 calendar days.

The DHHS shall report any interest collected on excess Federal funds to the NASA Installation and to the Department of the Treasury.

- g. **INSTRUCTIONS FOR RECIPIENTS.** Detailed instructions, including sample forms, for recipient organizations receiving advance payments are contained in FMM Appendix 9280-2A, Instructions To Recipient Organizations For Acquiring Advance Payments By Letter Of Credit, and FMM Appendix 9280-2B, Instructions To Recipient Organizations For Acquiring Advance Payments By Automated Clearing House. Upon award of the grant or contract for advance payments, NASA installations shall provide these instructions along with a supply of blank Reports of Federal Cash Transactions (SF 272).



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## **9280-3 LETTER OF CREDIT - DEPARTMENT OF HEALTH AND HUMAN SERVICES' PAYMENT MANAGEMENT SYSTEM (DHHS/PMS)**

- a. **PAYMENT MANAGEMENT SYSTEM.** NASA uses the DHHS/PMS method of payment in administering letters of credit. Recipient requests for funds are submitted through SMARTLINK II, a PC-based on-line payment system. Cash requests are processed directly from the recipient's personal computer into PMS where, after successful negotiation of the System's edits, the transaction is written to an ACH tape and forwarded to the Richmond Federal Reserve where it is electronically transmitted to the recipient organization's financial institution the next business day.

Detailed DHHS/PMS operating instructions are contained in the NASA Letter of Credit - Payment Management System guide, maintained by NASA Headquarters.

The Department of Health and Human Services will contact recipient organizations and provide instructions on requesting funds through the Payment Management System. If a recipient organization reports that it has not been contacted by DHHS, a determination shall be made as to whether or not the recipient should have been contacted, i.e., whether or not the DHHS has had enough time to process the recipient organization's forms (see Appendix 9280-2A, paragraph 6a.). If the recipient's concern is valid, Unit 2 of the Recipient Financing and Cash Management Branch (DHHS), should be contacted in order to inquire about the status of the recipient's account.

- b. **PAYMENT MANAGEMENT SYSTEM COORDINATOR.** The PMS Coordinator, located in NASA Headquarters, Code BFB, is the point of contact for resolution of operational problems. The PMS Coordinator is responsible for:
- (1) Ensuring that each installation is properly charged for its recipients' drawdowns. Installations are billed through the On-line Payment and Collection System (OPAC) each month.
  - (2) Reconciling installations' and Department of Health and Human Services' data.
  - (3) Distributing PMS reports.
  - (4) Assisting Installations with recipient registration.
  - (5) Acquiring and maintaining registered initials.
  - (6) Coordinating activity between NASA Installations and DHHS.



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- c. **CONSOLIDATION OF FUNDING TO THE SAME RECIPIENT ORGANIZATION UNDER ONE LETTER OF CREDIT.** All advance financing to the same recipient organization shall be combined into one letter of credit by the NASA Installation. The letter of credit shall include all advance payment grants and contracts awarded a recipient including those that ordinarily would not qualify because they do not meet the letter of credit dollar threshold criteria.
- d. **ASSIGNING LETTER OF CREDIT NUMBERS.** Letter of credit numbers are ten-digit identifiers composed of three sections: (1) four zeros; (2) Accounting Installation Number (AIN) per FMM 9121-51; and (3) four-digit sequential letter of credit number. Letter of credit numbers should not be duplicated.
- e. **LETTER OF ADVICE.** Recipients are notified of award authorization actions by a letter of advice. The letter of advice should contain, at a minimum, the following information:
  - (1) The recipient organization's name and address.
  - (2) The recipient organization's Entity Identification Number and the NASA-assigned Letter of Credit number.
  - (3) The amount and effective date of the initial or amended authorization.
  - (4) For initial authorizations, the recipient shall be informed that payments will be made under DHHS/PMS.
  - (5) Certification that the authorized amount will be available as of the effective date of the initial authorization or amendment.
  - (6) A detailed listing of the grants or contracts included in the authorization actions.The letter shall be signed by a cognizant authorized certifying officer.
- f. **PAYMENT MANAGEMENT SYSTEM REPORTS.** The following reports will be distributed to NASA Installations by the PMS Coordinator:
  - (1) The PMS 84 report, which is generated each time an award authorization batch is processed and contains award authorization and modification transactions processed by the Payment Management System.
  - (2) The monthly Charges by Appropriation report which summarizes recipient drawdowns.
- g. **SERVICE CHARGES.** NASA Headquarters compensates the DHHS Division of Federal Assistance Financing on a quarterly basis via the Treasury's On-line Payment and Collection System (OPAC), for maintaining NASA recipients on the Payment Management System. Charges are based on the number of active NASA award authorizations.



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NASA Headquarters compensates the National Institutes of Health (NIH) - Division of Computer Research and Technology on a monthly basis via OPAC, for computer time and resources used by NASA Installations.

Each NASA Installation shall develop policies and procedures that ensure the most efficient use of these systems in order to minimize agency expenditures.

## **9280-4 ADVANCE PAYMENTS BY AUTOMATED CLEARING HOUSE**

### **a. ADVANCES**

(1) The amount of the initial advance will be determined by the Grant or Contracting Officer in negotiation with officials of the recipient organization. The amount should be communicated to the Financial Management Officer at the time a copy of the grant or contract is forwarded. An advance shall not be made until a copy of the authorized grant or contract has been received and funds obligated by the Financial Management Office.

(2) Subsequent advances will be based on the recipient organization's cash requirement forecasts as reported on the Report of Federal Cash Transactions (SF 272).

### **b. ESTIMATE OF QUARTERLY CASH REQUIREMENTS.** Reports of Federal Cash Transactions (SF 272) will be submitted by each recipient receiving advance payments by the Automated Clearing House method. Recipients' reports shall be on an accrual basis. If the recipient's accounting records are not normally kept on an accrual basis, however, the recipient shall not be required to convert its accounting system, but shall develop the reported information through best estimates based on an analysis of the documentation on hand. Item 14, "Remarks", on the reports will show the amount of projected disbursements for the next reporting period.

Each disbursement forecast will provide an estimate of cash requirements by contract or grant for each of the three (3) months in the calendar quarter following the reporting period, plus the first month of the next succeeding quarter. Subsequent quarterly reports will provide similar four-month estimates. Any adjustment of the fourth month's estimate for the prior reporting period will be reflected in the first month's estimate of the current reporting period and will be accompanied by an explanation of any material (greater than 10 percent) differences.

### **c. SCHEDULING ADVANCE PAYMENTS.** Cash advances to recipient organizations will be scheduled in accordance with the organization's stated disbursement schedule.



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## **9280-5 ADMINISTRATIVE REVIEWS AND REPORTS**

- a. **ADMINISTRATIVE REVIEWS.** Using the inquiry capability of the PMS for letter of credit recipients and the quarterly SF 272's as submitted by all recipient organizations, Installations will monitor recipients' drawdown practices. If a recipient withdraws funds in excess of current requirements or fails to submit required reports on a timely basis, subsequent requests for funds should be suspended (see FMM 9280-10) until the situation is remedied.

If the recipient organization continues to withdraw funds in excess of current needs or fails to submit reports on a timely basis, the advance financing arrangement should be terminated (see FMM 9280-10) and the recipient organization shall be required to finance its operations with its own working capital.

- b. **FEDERAL CASH TRANSACTIONS REPORTS.** Advance payment recipients are required to submit a Report of Federal Cash Transactions (SF 272) to the cognizant NASA Installation on a quarterly basis (see FMM Appendix 9280-2A). NASA personnel should verify the mathematical accuracy of the reports, reconciling drawdowns during the quarter and ending undrawn authorization balances. If a recipient organization reports data on a NASA contract or grant to the incorrect Installation, the Installation which receives the report will advise the recipient to submit a corrected SF 272 and to report properly in the future.

Initial establishment of a letter of credit requires the recipient organization to submit a cash forecast for the months preceding the submission of the first Report of Federal Cash Transactions (SF 272). The cash forecast should be utilized in analyzing the recipient organizations's subsequent drawdown requests.

## **9280-6 REPORTING LETTER OF CREDIT TRANSACTIONS**

- a. **BILLING RECIPIENT DRAWDOWNS.** NASA Installations will be billed monthly through the On-line Payment and Collection System (OPAC) under Agency Location Code 80-00-0087 (see FMM Appendix 9210-8A) for recipients' drawdowns.
- b. **REPORTING ON THE STATEMENT OF TRANSACTIONS (SF 224).** NASA Installations with letter of credit drawdowns will report such activity on their monthly Statement of Transactions (SF 224) submission.

## **9280-7 GENERAL LEDGER REQUIREMENTS**

- a. **GENERAL LEDGER ACCOUNTS.** To properly account for advance financing and related transactions, NASA Installations will maintain appropriate general ledger accounts. Pro forma entries illustrating the posting of letter of credit and Automated Clearing House transactions to the general ledger accounts are shown in FMM 9220.



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- b. **SUBSIDIARY ACCOUNTS.** Subsidiary accounts will be established and maintained by NASA Installations in sufficient detail to support the general ledger control accounts.

## **9280-8 CLOSING LETTERS OF CREDIT**

- a. **CLOSING AWARD AUTHORIZATIONS.** A recipient's letter of credit account shall be closed if the NASA Installation has no plans for awarding additional grants or contracts to the recipient organization.
- b. **CLOSING RECIPIENT ACCOUNTS.** The NASA Installation shall forward a letter to the PMS Coordinator:
  - (1) As notification that the recipient's award authorization has been closed.
  - (2) Requesting closure of the recipient's account.
  - (3) Signed by the cognizant certifying officer.
- c. **REOPENING RECIPIENT ACCOUNTS.** Closed accounts shall be reopened by requesting, in writing, that the PMS Coordinator have the account reopened (the letter should be signed by a certifying officer).

This procedure is appropriate for recipient organizations that are awarded advance payment grants or contracts that meet letter of credit criteria. The NASA Installation shall assign a new letter of credit number.

## **9280-9 FINAL REPORT**

- a. **FINAL REPORT OF FEDERAL CASH TRANSACTIONS.** A final Report of Federal Cash Transactions (SF 272) shall be submitted in duplicate at the conclusion of work under a grant or contract. The SF 272 shall pertain only to the completed grant or contract. The report shall be marked "Final" and shall include total disbursements from inception through completion.
- b. **INITIATING CLOSEOUT PROCEDURES.** Upon receipt of a final grant or contract expenditure report, the Financial Management Officer shall request that the appropriate Grant or Contracting Officer initiate closeout procedures.

## **9280-10 SUSPENSION OR TERMINATION OF ADVANCE FINANCING**

- a. When a recipient organization has demonstrated an unwillingness or inability to comply with cash management, financial management system, or financial reporting requirements, the Financial Management Office may temporarily suspend payment to the recipient organization pending corrective action by the recipient or pending a decision to terminate the advance financing agreement.



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A decision to terminate the advance financing agreement shall be predicated upon a recipient organization's consistent demonstration of an unwillingness or inability to comply with cash management, financial management system, or financial reporting requirements. Under normal circumstances, the recipient organization should have been suspended two times and received two suspension notices before advance payment termination proceedings are initiated. If the severity of the violation warrants, the Financial Management Officer may begin advance payment termination proceedings immediately. Upon termination of the advance financing agreement, the recipient organization shall finance its operations with its own working capital and the NASA installation shall reimburse the recipient's cost through Automated Clearing House payments.

The Financial Management Office shall take action to either suspend or terminate a recipient's advance financing arrangement when:

- (1) A recipient organization receiving advance payments from a NASA Installation is unwilling or unable to establish a financial management system that meets the requirements of advance financing (see FMM paragraph 9280-2d(3)).

The NASA Installation may take reasonable steps to assist the recipient organization in establishing or improving their financial management system.

- (2) A recipient organization receiving advance payments from a NASA Installation is unwilling or unable to report, on a timely basis, cash disbursements and balances as required by the NASA Installation (see FMM paragraph 9280-2e).
- (3) A recipient organization receiving letter of credit payments from a NASA installation has demonstrated an unwillingness or inability to establish procedures that will minimize the time elapsing between drawdowns and related disbursements (see FMM paragraph 9280-2f).

## b. **PRELIMINARY REVIEW AND WORKING CAPITAL ADVANCE**

**METHOD.** A review shall be made of the grant or contract and the statute under which the grant or contract was negotiated to ensure that termination of advance payments is permitted.

When the reimbursement method is not feasible, arrangements may be made whereby the operations of the recipient organizations are financed on a working capital advance basis. Under this basis, funds are advanced to the recipient organization to cover its estimated disbursement needs for a given initial period (not to exceed 30 days). Thereafter, payments will be made to the recipient for the amount of its actual cash disbursements. The amount of the initial advance should be computed to ensure that after the initial period, the payments are approximately equal to the average amount of the recipient organization's unreimbursed program payments.

## c. **NOTIFICATION**



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- (1) **Suspension.** The NASA Installation shall provide reasonable notice, in writing, to the recipient organization of the determination to temporarily withhold further payments pending corrective action by the recipient or pending a decision to terminate advance financing.
- (2) **Termination.** The NASA Installation shall promptly notify the recipient and the cognizant Grant or Contract officer, in writing, of the determination, the reasons for termination, and the effective date.



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## **9280-2A INSTRUCTION TO RECIPIENT ORGANIZATIONS**

### **INSTRUCTIONS TO RECIPIENT ORGANIZATIONS FOR ACQUIRING ADVANCE PAYMENT BY LETTER OF CREDIT**

#### **a. PURPOSE**

The purpose of these instructions is to set forth the procedures to be followed by participating recipient organizations for obtaining advance payments from NASA utilizing the Department of Health and Human Services' Payment Management System, a letter of credit system.

#### **b. AUTHORITY**

These instructions are established under the provisions of Treasury Department Circular 1075, Withdrawal of Cash from Treasury for Advances Under Federal Grant and Other Programs, Office of Management and Budget Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations, and contract provisions for advance payments.

#### **c. GENERAL**

The letter of credit method of financing shall be used by NASA for recipient organizations awarded grants or contracts with advance payment provisions when (a) there is or will be a continuing relationship between the recipient and a NASA Installation for at least a 12-month period and the total annual amount to be advanced to the recipient on all grants is \$120,000 dollars or more; (b) the recipient organization has demonstrated a willingness to maintain procedures that will minimize the time elapsing between the transfer of funds and their disbursement; and (c) the recipient organization's financial management system provides for:

- (1) Accurate, current, and complete disclosure of the financial results of each federally sponsored project or program in accordance with the financial reporting requirements.
- (2) Effective control over and accountability for all funds, property, and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.
- (3) Written procedures to minimize the time elapsing between the transfer of funds and the disbursement of funds.
- (4) Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the contract, grant, or other agreement.



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(5) Recipients' financial management systems shall also adhere to:

(a) **Grants.** Standards for financial management systems as specified in OMB Circular A-110 and the Research Grant Handbook (NHB 5800.1).

(b) **Contracts.** Standards for financial management and reporting as specified in relevant contract clauses.

Reimbursement by electronic funds transfer, rather than advance payments, will be used when the recipient's financial management system does not meet the standards for fund control, accountability, and financial reporting or when the recipient is unwilling or unable to meet cash management requirements.

## d. **FINANCIAL REPORTING REQUIREMENTS**

Letter of credit recipients must submit a cash forecast for each month preceding the first submission of the Report of Federal Cash Transactions (SF 272).

Recipients will be required to submit a Report of Federal Cash Transactions (SF 272 - Attachment 1), and, when applicable, a Continuation Sheet (SF 272A - Attachment 2) to the cognizant NASA Installation. The original and two copies of the SF 272 report shall be submitted within 15 working days following the end of each Federal fiscal quarter, i.e., December 31, March 31, June 30, and September 30. One Report of Federal Cash Transactions shall be submitted for all grants and contracts financed under a letter of credit arrangement with a NASA Installation.

Recipients' SF 272 shall be prepared on an accrual accounting basis. If a recipient's accounting records are not normally kept on an accrual basis, the recipient shall develop the reported information through best estimates based on an analysis of the documentation on hand.

All recipients must include a cash requirements forecast under Item 14, "Remarks", of the SF 272. Each forecast will provide a current estimate of the projected disbursements by grant or contract for each of the four months following the quarter being reported. If the SF 272 shows a negative figure for "Cash on hand end of period" (Item 11j), do not include this figure in the projected disbursements figures.

In addition, any adjustment of the fourth month's estimate for the prior reporting period will be reflected in the first month's estimate of the current reporting period and will be accompanied by an explanation of any material differences.

The forecast submitted by letter of credit recipients will be used to monitor and evaluate drawdowns. NASA will also use these forecasts as a basis for accruing costs.

A final Report of Federal Cash Transactions shall be submitted in duplicate at the conclusion of work under a grant or contract. The SF 272 shall pertain only to the completed grant or contract and shall include total disbursements from inception through completion. The report shall be marked "Final".



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## e. **CASH MANAGEMENT REQUIREMENTS**

- (1) **REPORTING INTEREST.** Recipients are required to maintain advances of Federal funds in interest bearing accounts, unless: (1) they receive less than \$120,000 in Federal awards per year, (2) the best reasonably available interest bearing account would not be expected to earn in excess of \$250 per year on Federal cash balances, and (3) the depository would require an average or minimum balance so high that it would not be feasible within the expected Federal non-Federal cash resources. Interest earned on advances in interest bearing accounts in excess of \$250 per year shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 per year may be retained by the recipient for administrative expenses.

The remittance should be made payable to DHHS and should indicate the recipient organization's Entity Identification Number (EIN) and reason, i.e., "Interest earned".

- (2) **ERRONEOUS WITHDRAWAL OF EXCESS FUNDS.** The letter of credit system is designed to make funds available to a recipient organization on the first business day following receipt of a request for funds. Recipient organizations are required to (a) request the minimum amount of funds needed; and (b) schedule such requests so that cash advances coincide with actual, immediate cash requirements in accordance with Treasury Department Circular 1075.

NASA will monitor letter of credit drawdowns to ensure that the timing and amount of cash advances are as close as administratively feasible to actual disbursements. Should funds be erroneously drawn in excess of actual needs, one of two actions should be taken: (a) if the request itself was made erroneously, the recipient organization should contact its financial institution and request that the payment be returned; or (b) if the payment has already been deposited or the excess drawdown is only part of the total payment, the recipient organization should promptly remit the excess funds to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852.

The remittance should be made payable to DHHS and should indicate the recipient organization's Entity Identification Number (EIN) and reason, e.g., "Excess funds erroneously drawn".



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## f. **LETTER OF CREDIT PROCEDURES**

- (1) **INITIAL AUTHORIZATION.** A Direct Deposit Sign-up form (SF 1199A - Attachment 3) and a "SMARTLINK II"/ACH Organizational Data form (Attachment 4) must be on file before funds may be advanced. The recipient organization shall forward the forms along with the initial cash forecast (see paragraph 4) as soon as practicable, but no later than four (4) weeks prior to implementation, to the Financial Management Officer of the Cognizant NASA installation. An official who is known to the NASA installation shall sign the forms.

Upon receipt of the completed Direct Deposit Sign-up form, Organizational Data form, and cash forecast, the NASA installation will forward notification of the authorization amount and effective date, by a letter of advice, to the recipient organization.

Instructions, an account number, and a password will be forwarded to the recipient by the Department of Health and Human Services (see Procedures for Drawing Federal Funds).

- (2) **REPORTING CHANGES IN RECIPIENT ORGANIZATION DATA.** A revised Direct Deposit Sign-up form (SF 1199A) shall be submitted should any of the following occur:

- (a) change and/or termination of the official(s) authorized to sign the forms;
- (b) change in the name and/or address of the recipient organization; or
- (c) change in the account and/or financial institution.
- (d) A "SMARTLINK II"/ACH Organizational Data form shall be submitted should any of the following occur:
  - 1 change and/or termination of the official(s) authorized to sign the forms;
  - 2 change in the contact names and/or telephone numbers.

- (3) **AMENDMENTS.** Funding actions result in an increase or decrease in the authorized amount of the letter of credit. Amendments to the authorized amount are issued by the cognizant NASA Financial Management Office. Upon notification that a funding action has been taken, the Financial Management Office will advise the recipient organization of the amount, whether the total authorization has been increased or decreased, and the effective date of the change.

- (4) **PROCEDURES FOR DRAWING FEDERAL FUNDS.** Recipient requests for funds are submitted through the PMS SMARTLINK II on-line system. Requests for funds are processed from a recipient organization's personal computer.



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The equipment necessary to use PMS SMARTLINK II include a personal computer, a modem, telecommunications software and a telephone line.

Instructions on installing and using PMS SMARTLINK II, the SMARTLINK II account number, and password will be provided by the Department of Health and Human Services.

- (5) **SUSPENSION.** Letter of credit payments will be suspended if the recipient organization has failed to comply with: (1) financial management system requirements; (2) financial reporting requirements; or (3) cash management requirements. Under suspension, payments are withheld until the recipient remedies the condition and is in compliance or until a decision to terminate the advance financing arrangement has been reached.
- (6) **TERMINATION.** A letter of credit arrangement may be terminated for any of the following reasons:
  - (a) The annual aggregate financing level falls below \$120,000. If the reduction is temporary, the letter of credit arrangement may remain in force.
  - (b) The business relationship between the NASA Installation and the recipient organization is completed or terminated (except when follow-on awards are expected to be authorized).
  - (c) The cognizant NASA Financial Management Office determines that progress is not satisfactory toward achievement of the cash management objective of the letter of credit method of financing.
  - (d) The recipient organization's financial management system does not meet the standards for fund control, accountability, and financial reporting (including failure to complete and submit periodic reports on a timely basis).

The cognizant NASA Installation will promptly notify the recipient in writing of the determination, the reasons for termination, and the effective date.



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## **9280-2B INSTRUCTIONS TO RECIPIENT ORGANIZATIONS**

### **INSTRUCTIONS TO RECIPIENT ORGANIZATIONS FOR ACQUIRING ADVANCE PAYMENT BY AUTOMATED CLEARING HOUSE**

#### **a. PURPOSE**

The purpose of these instructions is to set forth the procedures to be followed by participating recipient organizations for obtaining advance payments by electronic funds transfer through the Automated Clearing House (ACH) from NASA.

#### **b. AUTHORITY**

(1) These instructions are established under the provisions of Treasury Department Circular 1075, Withdrawal of Cash from Treasury for Advances Under Federal Grant and Other Programs, Office of Management and Budget Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations, and contract provisions for advance payments.

#### **c. FINANCIAL REPORTING REQUIREMENTS**

(1) **INITIAL CASH ADVANCE.** The amount of an initial cash advance under the Automated Clearing House advance payment method will be determined by the Grant Officer in negotiation with officials of the recipient organization. The recipient organization shall prepare a planned disbursement schedule for paying obligations incurred pursuant to satisfying the program performance requirements of the grant or contract. A cash advance will not be made until a copy of the grant agreement or contract has been received by the cognizant Financial Management Office. Subsequent cash advances will be based on the disbursement schedule and the recipient organization's projected disbursements as reported on the SF 272, Report of Federal Cash Transactions.

(2) **REPORT OF FEDERAL CASH TRANSACTIONS (SF 272).** All recipients of advance payments are required to submit a Report of Federal Cash Transactions (SF 272 - Attachment 1), and, when applicable, a Continuation Sheet (SF 272A - Attachment 2) to the cognizant NASA Installation. The original and two copies of the SF 272 report shall be submitted within 15 business days following the end of each Federal fiscal quarter, i.e., December 31, March 31, June 30, and September 30.

Recipients' SF 272's shall be prepared on an accrual accounting basis. If a recipient's accounting records are not normally kept on an accrual basis, the recipient shall develop the reported information through best estimates based on an analysis of the documentation on hand.

The cash requirements forecast submitted by recipients will be used to schedule payments. NASA will also use these forecasts as a basis for accruing costs.



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A final Report of Federal Cash Transactions shall be submitted in duplicate at the conclusion of work under a grant or contract. The SF 272 shall pertain only to the completed grant or contract and shall include cumulative disbursements from inception through completion. The report shall be marked "Final".

- (3) **REPORTING INTEREST.** Recipients shall maintain advances of Federal funds in interest bearing accounts unless otherwise notified. Interest amounts up to \$250 per year may be retained by the recipient organization for administrative expenses. Interest earned on advances in excess of \$250 per year deposited in such accounts shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852.

d. **FINANCIAL MANAGEMENT SYSTEM REQUIREMENTS**

The recipient's financial management system shall provide for:

- (1) Accurate, current, and complete disclosure of the financial results of each federally sponsored project or program in accordance with the financial reporting requirements.
- (2) Effective control over and accountability for all funds, property, and other assets. Recipients shall adequately safeguard all such assets and assure they are used solely for authorized purposes.
- (3) Written procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the contract, grant, or other agreement.
- (4) Recipients' financial management systems shall also adhere to:
  - (a) Grants. Standards for financial management systems as specified in OMB Circular A-110 and the Research Grant Handbook (NHB 5800.1).
  - (b) Contracts. Standards for financial management and reporting as specified in relevant contract clauses.

e. **AUTOMATED CLEARING HOUSE PROCEDURES**

- (1) **INITIAL PAYMENT INFORMATION.** A Payment Information Form - ACH Vendor Payment System (TFS 3881 - Attachment 3) must be on file before funds may be advanced. The recipient organization shall forward the form as soon as practicable to the Financial Management Officer of the Cognizant NASA Installation.
- (2) **REPORTING CHANGES IN PAYMENT INFORMATION.** A revised Payment Information Form - ACH Vendor Payment System (TFS 3881) shall be submitted should any of the following occur:
  - (a) change in the name and/or address of the recipient organization; or



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(b) change in the account and/or financial institution.

f. **SUSPENSION AND TERMINATION**

Advance payments will be suspended if the recipient organization has failed to comply with: (1) financial management system requirements; (2) financial reporting requirements; or (3) interest reporting requirements. Under suspension, payments are withheld until the recipient remedies the condition and is in compliance or until a decision to terminate the advance financing arrangement has been reached.

A decision to terminate the advance financing agreement shall be predicated upon a recipient organization's demonstration of an unwillingness or inability to comply with financial management system, interest reporting, or financial reporting requirements. Upon termination of the advance financing agreement, the recipient organization shall finance its operations with its own working capital and be reimbursed by the NASA Installation through ACH.



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## ***PART II CARRIER ACCOUNT PROCEDURES***

### ***9280-90 PURPOSE AND SCOPE***

This section provides the requirements and procedures relative to the use of interappropriation expenditure authority for the following classifications of NASA carrier accounts.

- a. **GENERAL PURPOSE CARRIER ACCOUNTS.** Used for the procurement of common-use materials and certain items of capital equipment and propellants. Can also be used for center and program support.
- b. **FUNCTIONAL CARRIER ACCOUNT.** Used for processing program support and center support transactions related to the appropriations when the function is known at the time of purchase.
- c. **COMMON-USE CARRIER ACCOUNT.** Used for the procurement of common-use services; and the processing of program support transactions when the function is not known until the distribution is recorded.

### ***9280-91 AUTHORITY***

NASA authorization for use of carrier accounts is derived from 31 USC 1534, Adjustments Between Appropriations.

### ***9280-92 LIMITATIONS***

The use of carrier accounts is limited to the following:

- a. Fiscal activity (commitments, obligations, cost or disbursements) where a distribution to a benefiter (project and/or function) is not possible at the time of the recording of a transaction, but would be possible on the basis of later information.
- b. Initial financing of carrier account activity can be provided by any valid appropriation except Construction of Facilities.

### ***9280-93 FUNDING RESPONSIBILITIES***

- a. Installations will, as part of the budgeting process, provide the Associate Administrators with sufficient justification to support the funding level required to operate carrier accounts. In evaluating the requirements for carrier account activity, the planned commitment, obligation and cost rates, as well as the expected net change due to interappropriation transfers, will be considered. The Associate Administrators are responsible for monitoring the use of the carrier accounts at the field Installations.



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- b. The responsibilities and limitations placed on NASA officials under Resources Authority Warrants (NASA Form 506) and Allotment Authorizations (NASA Form 504) by applicable laws, rules, or regulations are not altered. NOTE: Allotment authorization and resources authority will not be issued for carrier account unique project numbers. The allotment authorization of the financing appropriation is the source of funding for the carrier accounts.
- c. The Installation Financial Management Office will show a program year on fund citations provided to the procuring office for items and services being purchased under a carrier account. Two-year appropriations can be used with program year 1989 and subsequent years. In the expiration year of a multi-year appropriation, special attention must be given to open commitment documents to assure that the obligations are recorded before the appropriation expires.

## **9280-94 IDENTIFICATION OF CARRIER ACCOUNT UNIQUE PROJECT NUMBERS**

The following non-programmatic unique project numbers are established in the Agencywide Coding Structure (FMM 9100) as active carrier accounts.

<u><b>Carrier Account Titles</b></u>	<u><b>Unique Project Numbers</b></u>
<b>GENERAL PURPOSE CARRIER ACCOUNTS</b>	
Capital Equipment Carrier Account(for common-use equipment purchases)	993
Propellant Carrier Account	994
Operating Materials and Supplies Carrier Account (for common-use supplies and materials)	998
<b>FUNCTIONAL CARRIER ACCOUNT</b>	992
(see FMM 9280-97)	
<b>COMMON-USE CARRIER ACCOUNT</b>	997
(see FMM 9280-98)	



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## **9280-95 GENERAL REQUIREMENTS AND PROCEDURES**

- a. Carrier accounts transactions are designed to distinguish between purchases and distributions. Distributions should be recorded with a Y in the Carrier Account type field, and purchases should have a blank.
- b. The techniques for distribution of activity from the carrier accounts must be fully documented by each Financial Management Officer and approved by the Director, Financial Management Division, NASA Headquarters. Once approved, changes in distribution techniques or the carrier account used may not be made without prior approval.
- c. Appendixes illustrating the flow of transactions through the carrier account process is provided in FMM Appendix 9280-95A thru 95C.

## **9280-96 GENERAL PURPOSE CARRIER ACCOUNTS**

- a. **DESCRIPTION.** The general purpose carrier accounts are used to procure capital equipment, propellants, and Operating Materials and Supplies that cannot be identified to a benefiter at the time of procurement. The activity will be recorded against the appropriate unique project numbers 993, 994, or 998 as commitments, obligations and disbursements. Commitments, obligations, costs and disbursements will be charged to the benefiter in the same month the issues are made to the user.
- b. **FUNCTIONALIZATION.** Purchases in and distributions from (Y coded) general purpose carrier accounts purchases are not functionalized, but the benefiting project records must be functionalized in accordance with FMM 9121-52.
- c. **DISTRIBUTION.** The general purpose carrier accounts are distributed based on usage/issues of requested items.
- d. **OTHER CARRIERS.** Transfers (non-Y coded) can be made to the Functional Carrier Account (992).
- e. **AWCS LEVEL ON BENEFITER RECORDS.** The benefiting project charges should have the lowest level as shown in the Agencywide Coding Structure.

## **9280-97 FUNCTIONAL CARRIER ACCOUNT**

- a. **DESCRIPTION.** The Functional Carrier Account is used to procure program support and center support activity that cannot be identified to a benefiter at the time of procurement, but can be identified to a function other than 40-00-00. The activity will be recorded against the unique project number 992 as commitments, obligations, costs and disbursements.



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- b. **FUNCTIONALIZATION.** Purchases in and distributions from (Y coded) the Functional Carrier Account are functionalized in accordance with FMM 9121-52. Functional reporting of distributions to benefiting projects is required.
- c. **DISTRIBUTION.** The Functional Carrier Account distributions can be made at either the commitment, obligation or cost stage of the accounting process. To the extent practical, costs should be totally distributed to benefiting projects at the end of each fiscal year. However, when standard rates are utilized, balances may remain in the carrier account. These balances should be analyzed and appropriate adjustments should be made in the subsequent fiscal year. The distributions are limited to the commitments, obligations, or costs recorded in the carrier accounts and based on an actual usage/benefit link or labor hours.

The actual usage/benefit link can use historical trends and use, square footage, facility usage, CPU's (central processing units), rental charges and other indices developed to recover the costs associated with program support activities. The actual usage/benefit link can also utilize standard, actual or composite rates, as applicable.

Labor hour (i.e., civil servant and/or contractor) distributions may also be utilized, but only after the actual usage/benefit link method has been evaluated as impracticable. Labor hour distributions can utilize either actual recorded labor hour or budgeted/historical labor hour. If budgeted/historical labor hour data is utilized, then a comparison of the actual recorded labor hour to the budgeted/historical must be done each fiscal year as of June 30, with adjustments being made, if actuals vary by +/-5%. The adjustments should be made in the current fiscal year or as part of the budget process for the subsequent fiscal year.

- d. **OTHER CARRIERS.** Transfers cannot be made to other carrier accounts or between Functional Carrier Account activities.
- e. **AWCS LEVEL ON BENEFITER RECORDS.** The benefiting project records should have the lowest level as shown in the Agencywide Coding Structure and a transaction type of 'P' (program support) or 'C' (center support). The total Ps and Cs should equal the total Ys (Carrier Account Credit).

## **9280-98 COMMON-USE CARRIER ACCOUNT**

- a. **DESCRIPTION.** The Common-Use Carrier Account is used to procure common-use; and program support and center support activity that cannot be identified to a benefiter and a function at the time of procurement. The activity will be recorded against the unique project number 997 as commitments, obligations, costs and disbursements.
- b. **FUNCTIONALIZATION.** Purchases in and distributions from (Y coded) this carrier account are not functionalized, but the benefiting project records are functionalized in accordance with FMM 9121-52.



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- c. **DISTRIBUTION.** The Common-Use Carrier Account is distributed based on the same distribution guidelines stated in FMM 9280-97C.
- d. **OTHER CARRIERS.** Transfers (non-Y coded) can be made to the Functional Carrier Account.
- e. **AWCS LEVEL ON BENEFITER RECORDS.** The benefiting project records should have the lowest level as shown in the Agencywide Coding Structure.

## **9280-99 FISCAL YEAREND PROCEDURES**

- a. To provide for accurate budget submissions and yearend status reporting, the distribution of all charges to benefiter for issues made and services received during a fiscal year should be made before closing the accounts at the end of each fiscal year.
- b. Special attention must be given to outstanding carrier account commitments to assure utilization before the expiration date of the appropriation which funds the carrier accounts.
- c. Yearend reporting requirements for Schedules of Estimated Distribution of Selected Accounts (SEDSA) is contained in FMM 9391-8.



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## 9280-95A GENERAL PURPOSE CARRIER ACCOUNT TRANSACTIONS

### GENERAL PURPOSE CARRIER ACCOUNT TRANSACTIONS UNIQUE PROJECT NUMBERS 993, 994, AND 998

TRANSACTION DESCRIPTIONS	FUNCTIONAL CODING	CARRIER ACCT. CR.	COMMITMENT	OBLIGATION	COST	DISBURSEMENT
Purchase Request	None		250,000			
Purchase Order/Contract Awarded	None			190,000		
Vendor Paid	None					125,000
Distribution Recorded Based on Usage/Issues	None	'Y'	(112,000)	(112,000)		(112,000)
Transfer to Functional Carrier Account (992) Based on Usage/Issues	None		(23,000)	(23,000)		(23,000)
Undistributed Balances			115,000	55,000		(10,000)
Transfer to Functional Carrier Account	10, 20, or 30 on UPN 992 Record		23,000	23,000	23,000	23,000
Distribution to Center Support	10, 20, or 30		10,000	10,000	10,000	10,000
Distribution to Benefiting Projects	10, 20, 30 or 40		102,000	102,000	102,000	102,000
TOTAL DISBURSEMENTS and TRANSFERS			135,000	135,000	135,000	135,000



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## 9280-95BFUNCTIONAL CARRIER ACCOUNT TRANSACTIONS

### FUNCTIONAL CARRIER ACCOUNT TRANSACTIONS UNIQUE PROJECT NUMBERS 992

TRANSACTION DESCRIPTIONS	FUNCTIONAL CODING	TRANS. TYPE	CARRIER ACCT. CR.	COMMITMENT	OBLIGATION	COST	DISBURSEMENT
Purchase Request	10, 20, or 30			700,000			
Purchase Order/Contract Awarded	10, 20, or 30				560,000		
Cost Incurred (Material Received or Services Rendered)	10, 20, or 30					480,000	
Vendor Paid	10, 20, or 30						410,000
Transfer from General Purpose and/or Common Use Services Carrier Accounts	10, 20, or 30			15,000	15,000	15,000	15,000
Distribution Recorded for Commitments	10, 20, or 30		'Y'	1) (600,000)			
Distribution Recorded for Obligations	10, 20, or 30		'Y'	2) (100,000)	(100,000)		
	10, 20, or 30		'Y'		4) (400,000)		
for Cost	10, 20, or 30		'Y'	3) (15,000)	5) (75,000)	(495,000)	6) (495,000)
Undistributed Balances				- 0 -	- 0 -	- 0 -	(70,000)
Distribution to Center Support	10, 20, or 30	'P'		125,000	90,000	70,000	70,000
Distribution to Benefiting Projects	10, 20, or 30	'C'		590,000	485,000	425,000	425,000

#### TOTAL DISBURSEMENTS and TRANSFERS

- 1) Commitments distributed by themselves.
- 2) Commitments distributed in conjunction with obligations.
- 3) Commitments distributed in conjunction with obligations, costs, and disbursements.
- 4) Obligations distributed by themselves.
- 5) Obligations distributed in conjunction with costs and disbursements.
- 6) Disbursements distributed in conjunction with costs.

Note: For UPN 992, Y = PC



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## 9280-95COMMON-USE CARRIER ACCOUNT TRANSACTIONS

### COMMON-USE CARRIER ACCOUNT TRANSACTIONS UNIQUE PROJECT NUMBERS 997

TRANSACTION DESCRIPTIONS	FUNCTIONAL CODING	CARRIER ACCT. CR.	COMMITMEN T	OBLIGATION	COST	DISBURSEMENT
Purchase Request	None		380,000			
Purchase Order/Contract Awarded	None			320,000		
Cost Incurred (Material Recieved or Services Rendered)	None				295,000	
Vendor Paid	None					260,000
Distribution Recorded						
for Commitments	None	'Y'	1) (275,000)			
for Obligations	None	'Y'	2) (60,000)	(225,000)		
	None	'Y'		4) (25,000)		
for Cost	None	'Y'	3) (25,000)	5) (50,000)	(275,000)	6) (275,000)
Transfer to Functional Carrier Account (992)			(20,000)	(20,000)	(20,000)	(20,000)
Undistributed Balances			- 0 -	- 0 -	- 0 -	(35,000)
Transfer to Functional Carrier Account	10, 20, or 30 on UPN 992 Record		20,000	20,000	20,000	20,000
Distribution to Benefiting Projects	10, 20, 30 or 40		265,000	205,000	180,000	180,000
Distribution to Center Support	10, 20, or 30		95,000	95,000	95,000	95,000
TOTAL DISBUREMENTS and TRANSFERS			380,000	320,000	295,000	295,000

- 1) Commitments distributed by themselves.
- 2) Commitments distributed in conjunction with obligations.
- 3) Commitments distributed in conjunction with obligations, costs, and disbursements.
- 4) Obligations distributed by themselves.
- 5) Obligations distributed in conjunction with costs and disbursements.
- 6) Disbursements distributed in conjunction with costs.

## ***PART III AUTHORIZATION AND APPROPRIATION ACT PROVISIONS AND OPERATING PLAN PROCEDURES***

### ***9280-101 PURPOSE***

This part of the chapter prescribes the requirements concerning the accounting, controlling, and reporting of transactions incident to the provisions contained in the annual NASA Authorization and Appropriation Acts and the procedures initiated in fiscal year 1981 for the Operating Plan.

### ***9280-102 APPLICABILITY***

This portion of the chapter is applicable to NASA Headquarters only.

### ***9280-103 REQUIREMENTS***

Each provision contained in the annual NASA Authorization and Appropriation Acts as well as in the formal Operating Plan, which is amenable to financial accounting, shall be accounted for in a manner that permits responsible NASA officials to establish and determine that financial transactions are within the amounts and for the purposes legally authorized and administratively approved.

### ***9280-104 RECORDS***

Records will be established and maintained to account properly for each administrative action affecting the provisions of the NASA Authorization and Appropriation Acts and the Operating Plan. The records of the administrative actions shall be maintained in a manner to disclose properly at all times the status of administrative operating authorities issued to date which are chargeable to amounts contained in a provision of the annual Acts and the Operating Plan. These records as a minimum shall identify: (1) actions taken which affect amounts which normally fall within Section 201 of the annual Authorization Act such as formal notification to the Congress of proposed changes in NASA program plans; (2) actions taken which affect appropriation availability (such as apportionment actions, including appropriation transfers); (3) actions taken to issue administrative authority to utilize available funds in specified amounts for the execution of specified approved projects and activities (Resources Authority and Subauthorizations); (4) releases of appropriation and apportionment availability to NASA Installations (allotment actions); and (5) any amounts held in reserve by NASA Headquarters and any other data necessary to identify completely the status of amounts in the annual Acts and the Operating Plan.

## **9280-105 REPORTS**

- a. The monthly Status of Approved Programs (SAP) Reports will be prepared in the formats set forth in FMM Appendices 9280-105A (R&D), B (SFCDC), C (CoF), D (R&PM) and E (OIG). Data contained in these reports will be based upon the NASA Authorization and Appropriation Acts, the Annual Operating Plan, Resources Authorities/Subauthorizations (NASA Forms 506, 506R, 506A, and 506A-R), and other appropriation program documents and memoranda.
- b. The monthly Status of Appropriation/Apportionment/Allotment Reports will be prepared in the formats set forth in FMM Appendices 9280-105F (R&D), G (SFCDC), H (CoF), I (R&PM), and J (OIG). The Research and Development (FMM 9280-105F); the Space Flight, Control and Data Communications (FMM 9280-105G); Research and Program Management (FMM 9280-105I); and the Office of Inspector General (FMM 9280-105J) reports will be consolidated with the monthly SAP Reports. Data contained in these reports will be taken from the Appropriation Act, Apportionments (Standard Form 132), Allotment Authorizations (NASA Form 504), Attachments to Allotment Authorizations (NASA Form 504A and 504B), and other appropriate financial documents.
- c. The 506A and 506A-R amounts contained in the SAP reports as of March 31 will be compared to the amounts contained in the applicable General Ledger accounts. The Installations will be notified to correct any differences.

## **9280-106 RESPONSIBILITY**

- a. The Budget Operations Office (Code BT) will be responsible for implementing the provision of FMM 9280-104 and FMM 9280-105a and b.
- b. The Financial Management Division (Code BF) will be responsible for implementing the provisions of FMM 9280-105c.

## ***PART IV ACCOUNTING FOR COOPERATIVE AGREEMENTS, FUNDED BY TRUST FUND DEPOSITS, BETWEEN NASA AND FOREIGN AGENCIES OR INTERNATIONAL ORGANIZATIONS***

### ***9280-121 PURPOSE***

This portion of the chapter (FMM 9280-121 - FMM 9280-128) establishes the requirements for accounting and reporting on transactions under cooperative agreements between NASA and foreign entities for procurement or furnishing by NASA of materials and services which are funded by deposits to trust fund accounts. Trust fund deposits are fiscal resources held by the Federal Government for the benefit of specific individuals or classes of individuals as distinguished from the general public. In administering these resources, the Government acts as a trustee and is limited in this capacity to the actions authorized by the specific trust agreement.

### ***9280-122 APPLICABILITY***

This portion of the chapter is applicable to NASA Headquarters and field Installations to which trust funds are made available by resources authority warrants and allotment authorizations.

### ***9280-123 AUTHORITY***

- a. The act of June 26, 1934, 58 Stat. 1233, as amended (31 U.S.C. 725s).
- b. The act of July 29, 1958, 72 Stat. 432 (42 U.S.C. 2475).
- c. Treasury Department - GAO Joint Regulation No. 3, as amended.
- d. Treasury Department Announcement No. 7533, NASA No. 80-10, dated May 17, 1963.

### ***9280-124 ESTABLISHMENT OF AGREEMENTS FUNDED BY TRUST FUND DEPOSITS***

- a. In the course of carrying out international cooperative projects, it may be in the interest of NASA to agree to expend funds of a cooperating foreign agency for the procurement of supplies, materials or services.
- b. Supplementary agreements or exchanges of correspondence providing for trust fund deposits will be made by the Headquarters Program and staff office(s) involved pursuant to the provisions of established cooperative project agreements in coordination with the Office of International Affairs and the Financial Management Division.

- c. Such agreements or exchanges of correspondence will include the following specific provisions in addition to any other necessary arrangements relative to the services and materials to be provided:
- (1) Description of the items or services requested by the cooperative foreign entity that are to be provided by or through NASA.
  - (2) Estimate of the cost of the items or services for the time period covered by the agreement.
  - (3) Provision for an advance payment (time phased, if appropriate) to cover the cost of the items or services to be furnished, by a check in the amount of the estimated cost in U.S. dollars made payable to the National Aeronautics and Space Administration, and forwarded to the Financial Management Division, Code BF, NASA Headquarters, Washington, DC 20546.
  - (4) Statement that in the event the estimated cost is insufficient to cover the final cost of the items requested, the cooperating foreign entity agrees to repay NASA for such additional costs as may be incurred.
  - (5) Statement that any funds remaining will be returned to the cooperating foreign entity upon termination of the contracted operations or upon termination of the agreement after final disbursements have been made to cover outstanding obligations.

### ***9280-125 RECEIPT, ALLOTMENT AND OBLIGATION OF FUNDS***

- a. **INTRODUCTION.** The Treasury Department has established the following accounts to control trust funds received by NASA under cooperative agreements with foreign entities.

**Trust Fund Receipt Account:**

808979 International Cooperation, National Aeronautics and Space Administration

**Trust Fund Appropriation Account:**

80X8979 International Cooperation, National Aeronautics and Space Administration

For NASA Headquarters Use Only

- b. **CODING.** The required codes to be incorporated in the Agencywide Coding Structure shall be assigned in accordance with FMM 9160 by the Financial Management Division. This action shall be accomplished at the time the agreement with the cooperating foreign entity is signed by NASA.

- c. **RECEIPT.** Upon receipt of an advance for deposit to the trust fund account, the Financial Management Division will transmit the funds to the U.S. Treasury disbursing office for deposit to the trust fund appropriation account, 80X8979. The Financial Management Division will furnish the cognizant Program Office and the Budget Operations Division the data normally required by FMM 9230 including the source from which the funds were received; the amount received and whether it is an initial or supplemental advance; certificate of deposit number and date; purpose or use which will be made of the funds; and a citation of the applicable trust agreement, e.g., 80X8979.00X.
- d. **ALLOTMENT.** Based on the above information, the Program Office and the Budget Operations Division will issue and distribute appropriate resources authority warrants and allotment authorizations. These documents will indicate the trust fund account symbol and the identifying limitation applicable to the particular agreement, i.e., 80X8979.00X, the date of the trust agreement, and the purpose for which the funds are available. As with appropriated funds, obligation documents are not to be executed until the allottee is in receipt of a resources authority warrant (506A) and an allotment authorization (504) for the trust fund appropriation account, 80X8979.
- e. **COMMITMENTS AND OBLIGATIONS.** Commitments and obligations under the trust fund appropriation account 80X8979 shall be established and documented in accordance with criteria contained in FMM 9030 and FMM 9040. Commitment and obligations shall be for the purpose(s) set forth in the trust agreement and shall not exceed the amount of funds allotted therefore. Depending on the type of transaction, documentation will consist of purchase orders, contracts, or such other documentation normally used by the allottee to initiate the actions required. Complete files of paid vouchers and unliquidated trust fund obligation documents will be maintained to support entries to the Installation's accounts.

Field Installations shall cite the trust fund appropriation account 80X8979,00X on all obligation documents and disbursement documents properly chargeable under the trust fund agreement. It is recognized that instances will occur, e.g., stock issues under existing NASA contracts, where it is necessary to cite one of the regular NASA appropriations and reimburse that appropriation by billing the trust fund appropriation account 80X8979.00X. Standard Form 1081 will be utilized for this purpose.

## **9280-126 ACCOUNTING AND REPORTING**

- a. The financial management or fiscal officer at each Installation is responsible for the maintenance of the detailed accounting records and supporting documents under the trust agreement.

- b. Accounting requirements for trust funds under 80X8979 will follow the same pattern as the accounting requirements under the regular NASA appropriations to the extent applicable. (See FMM 9220 for requirements relative to maintenance of the general ledger.) In addition to these requirements, periodic statements and status reports as required by the trust agreement will be furnished to the cooperating foreign entity through the cognizant Headquarters Program Office(s).
- c. Monthly reports to NASA Headquarters from NASA field Installations will involve the following financial reporting systems:
  - (1) Summary General Ledger transactions will be reported in accordance with FMM 9220.
  - (2) Mechanized reports on the financial status of each trust fund agreement will be furnished in accordance with the requirements set forth in FMM 9330. See FMM 9160 for guidance relative to coding.

### **9280-127 PRICING**

- a. The Installations' normal method for accumulating direct costs, i.e., work order, job order, etc., will be utilized in accounting for the activities under the trust agreement(s).
- b. Overhead, administrative expenses, and other normal NASA support will be charged as authorized in the trust agreement(s). Amounts of these charges which cannot be identified to a specific appropriation will be deposited to the Treasury as miscellaneous receipts.

### **9280-128 REVIEW OF ACTIVITY**

- a. The Installation financial management or fiscal officer will review the current status of the trust fund quarterly to determine whether the purpose for which the funds were made available has been accomplished, and that costs incurred are in accordance with the provisions of the trust agreement(s).
- b. Particular attention shall be directed to assure that funds will be provided on a timely basis to cover the liabilities to be incurred by NASA in carrying out the provisions of trust agreement(s). If it is anticipated that funds will be depleted prior to completion of the project, it is important that prompt action be taken to obtain additional funds. This is essential in the event a supplemental advance has to be obtained from the cooperating foreign entity.
- c. Final settlement will be accomplished by the Headquarters Financial Management Division upon notification by the responsible Headquarters Program or staff office that termination proceedings and final payment requirements have been satisfied. Any unused balance will be withdrawn from the installation(s) and refunded to the cooperating foreign entity from which it was received in accordance with the provisions set forth in the applicable trust agreement.

- d. Standard Form 1047, Public Voucher for Refunds, or other appropriate voucher form, will be utilized to document the return of unused funds to the cooperating foreign entity. The voucher form will contain the following information:
  - (1) Name of depositor
  - (2) Amount of deposit and date received
  - (3) Amount applied (expenditure)
  - (4) Balance refunded
  - (5) Any other pertinent data, e.g., a citation to the applicable trust agreement and procurement documents will be shown.

**9280-128A PROFORMA GENERAL LEDGER ENTRIES**

**9280-128B TRIAL BALANCE FOR TRUST FUND 80X8979**